CANADIAN THESES ON MICROFICHE

THÈSES CANADIENNES SUR MICROFICHE

National Library of Canada
Collections Development Branch

Canadian Theses on
Microfiche Service

Ottawa, Canada
K1A 0N4

Bibliothèque nationale du Canada
Direction du développement des collections

Service des thèses canadiennes
sur microfiche

NOTICE

The quality of this microfiche is heavily dependent upon the quality of the original thesis submitted for microfilming. Every effort has been made to ensure the highest quality of reproduction possible.

If pages are missing, contact the university which granted the degree.

Some pages may have indistinct print especially if the original pages were typed with a poor typewriter ribbon or if the university sent us an inferior photocopy.

Previously copyrighted materials (journal articles, published tests, etc.) are not filmed.

Reproduction in full or in part of this film is governed by the Canadian Copyright Act, R.S.C. 1970, c. C-30. Please read the authorization forms which accompany this thesis.

AVIS

La qualité de cette microfiche dépend grandement de la qualité de la thèse soumise au microfilmage. Nous avons tout fait pour assurer une qualité supérieure de reproduction.

S'il manque des pages, veuillez communiquer avec l'université qui a conféré le grade.

La qualité d'impression de certaines pages peut laisser à désirer, surtout si les pages originales ont été dactylographiées à l'aide d'un ruban usé ou si l'université nous a fait parvenir une photocopie de qualité inférieure.

Les documents qui font déjà l'objet d'un droit d'auteur (articles de revue, examens publiés, etc.) ne sont pas microfilmés.

La reproduction, même partielle, de ce microfilm est soumise à la Loi canadienne sur le droit d'auteur, SRC 1970, c. C-30. Veuillez prendre connaissance des formules d'autorisation qui accompagnent cette thèse.

THIS DISSERTATION
HAS BEEN MICROFILMED
EXACTLY AS RECEIVED

LA THÈSE A ÉTÉ
MICROFILMÉE TELLE QUE
NOUS L'AVONS REÇUE

NL-339 (r. 86/09)

Canada

National Library of Canada / Bibliothèque nationale du Canada

Ottawa, Canada
K1A 0N4

42

TC –

ISBN 0-315-01237-3

CANADIAN THESES ON MICROFICHE SERVICE – SERVICE DES THÈSES CANADIENNES SUR MICROFICHE

PERMISION TO MICROFILM – AUTORISATION DE MICROFILMER

• Please print or type – Écrire en lettres moulées ou dactylographier

AUTHOR – AUTEUR

Full Name of Author – Nom complet de l'auteur

NANCY LOREEN GIBSON

Date of Birth – Date de naissance	Canadian Citizen – Citoyen canadien
6/6/41	☑ Yes / Oui ☐ No / Non
Country of Birth – Lieu de naissance	**Permanent Address – Résidence fixe**
Canada.	3629 - 103 B ST. EDMONTON AB T6J 2X8

THESIS – THÈSE

Title of Thesis – Titre de la thèse

Aid, Trade and the Extension of Capitalism to the Third World.

Degree for which thesis was presented / Grade pour lequel cette thèse fut présentée	Year this degree conferred / Année d'obtention de ce grade
MA	1985
University – Université	**Name of Supervisor – Nom du directeur de thèse**
U of A.	DR. DAVID BAI

AUTHORIZATION – AUTORISATION

Permission is hereby granted to the NATIONAL LIBRARY OF CANADA to **microfilm this thesis** and to **lend** or **sell copies of the film.**

The author reserves other publication rights, and neither the thesis nor extensive extracts from it may be printed or otherwise reproduced without the author's written permission.

L'autorisation est, par la présente, accordée à la BIBLIOTHÈQUE NATIONALE DU CANADA de **microfilmer** cette thèse et de **prêter** ou de **vendre des exemplaires du film.**

L'auteur se réserve les autres droits de publication; ni la thèse ni de longs extraits de celle-ci ne doivent être imprimés ou autrement reproduits sans l'autorisation écrite de l'auteur.

ATTACH FORM TO THESIS – VEUILLEZ JOINDRE CE FORMULAIRE À LA THÈSE

Signature	Date
Nancy Gibson	23 Sept. 85

NL-91 (r. 84/03)

Canada

THE UNIVERSITY OF ALBERTA

AID, TRADE, AND THE EXTENSION OF CAPITALISM TO THE THIRD WORLD

(C)

by

NANCY L. GIBSON

A THESIS

SUBMITTED TO THE FACULTY OF GRADUATE STUDIES AND RESEARCH

IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE

MASTER OF ARTS

DEPARTMENT OF ANTHROPOLOGY

EDMONTON, ALBERTA

SPRING, 1985

THE UNIVERSITY OF ALBERTA

RELEASE FORM

NAME OF AUTHOR: Nancy L. Gibson

TITLE OF THESIS: Aid, Trade, and the Extension of Capitalism to the Third World

DEGREE FOR WHICH THESIS WAS PRESENTED Master of Arts

YEAR THIS DEGREE GRANTED 1985

Permission is hereby granted to THE UNIVERSITY OF ALBERTA LIBRARY to reproduce single copies of this thesis and to lend or sell such copies for private, scholarly or scientific research purposes only.

The author reserves other publication rights, and neither the thesis nor extensive extracts from it may be printed without the author's written permission.

Nancy Gibson

PERMANENT ADDRESS:

3629 - 103 B Street
Edmonton, Alberta
T6J 2X8

DATED August 18, 1985.

THE UNIVERSITY OF ALBERTA

FACULTY OF GRADUATE STUDIES AND RESEARCH

The undersigned certify that they have read, and recommend to the Faculty of Graduate Studies and Research, for acceptance, a thesis entitled Aid, Trade and the Extension of Capitalism to the Third World, submitted by Nancy Loreen Gibson, in partial fulfillment of the requirements for the degree of Master of Arts.

Supervisor

Date: April 19, 1985

Dedicated to Sama Banya

ABSTRACT

This thesis is based on the premise that the economies and cultures of the Third World are dominated by the global capitalist system, which is in turn controlled by the governments and multinational corporations of the First and Second Worlds. In this context both foreign investment and aid are interpreted as expressions of neocolonialism. International aid programs originate from the historical events and ideology of the industrialized capitalist countries of North America and northwestern Europe. Thus there is a clear interrelationship between aid and trade policies, and a study of one must include aspects of the other. Because ideology tends to support the elite within the dominant political group, Western-initiated international aid programs have been assigned more credit than they really deserve, in order to reinforce the illusion that the First World is actually effecting the modernization of the Third.

The ideology of international assistance has given rise to a number of myths which in turn have spawned related aid programs and projects, many of which were harmful to the recipient societies, some of which were of no consequence, and a few of which improved the lives of the recipient population. This thesis will trace the historical and theoretical origins of Western aid programs and the related myths which serve to justify foreign aid policies. The

consequent state of Third World dependency has resulted in a variety of Third World responses, or adaptations, to the capitalist mode of production in the Third World. Some of these are examined with a view to suggesting a paradigm for decreasing economic and cultural dependency by increasing Third World control of economic development, including international aid programs. The premise is that cultural autinomy and self-sustaining economic growth can be achieved within the framework of global capitalism.

ACKNOWLEDGEMENTS

I would like to thank my advisor, Dr. David Bai, for the example of intellectual clarity which he sets, and which I have tried to reflect in my thinking and writing. I would also like to thank Dr. Milton Freeman, for showing me that anthropology can be very practical as well as intellectually exciting. To Dr. Raj Pannu I express my gratitude for finding the time to help me to fill in some final holes. Thanks also go to Jean, Inge, Simone and Pat for their friendship, encouragement, and often, their books. Special thanks to Jean Strong for proof-reading and editing.

I am deeply grateful to my husband, John Whittaker, for his unfailing support throughout my belated university career; his editorial advice and patient assistance with our not-so-user-friendly computer were a constant source of strength to me. I would also like to thank my children for their consistent support and encouragement, despite the financial and temporal limitations my four-year studenthood has imposed upon our family. Special thanks go to Diana, Carolyn and Ginger, for their technical assistance.

TABLE OF CONTENTS

INTRODUCTION 1

CHAPTER I
THE HISTORICAL CONTEXT OF INTERNATIONAL AID 19
1.1 The Cold War 19
1.2 Trends and Theories of the Past 30
(a) Single-Variable Theories 30
(i) Family Planning 30
(ii) The Green Revolution 33
(b) Sociological Theories 35
(c) Economic Theories 37
1.3 Anthropology and Development Theory 43

CHAPTER II
THE PRESENT CONTEXT: THE CAPITALIST WORLD MARKETPLACE 49
2.1 The Nature of World Capitalism 49
2.2 Multinationals as Extensions of Capitalism 52
2.3 Impact on the Periphery 56
2.4 Aid as an Agent of Capitalism 61
2.5 Dependency and Dependency Theory 67
2.6 Deficiencies of Dependency Theory 69
2.7 Marxism and Dependency Theory 73

CHAPTER III
COLONIALISM, NEOCOLONIALISM AND REVOLUTION 75
3.1 Post-colonial Economies 75
3.2 The Post-colonial Legacy of Latin America 78
3.3 Revolution 86
a) Cuba 86
b) China 91

CHAPTER IV
ADAPTATIONS: INCREASING CONTROL OF THIRD WORLD ECONOMIES 95
4.1 Local Capitalism 95
4.2 Co-operatives 96
4.3 Eastasia 99

CHAPTER V
CONCLUSION: CREATING A PARADIGM 112
5.1 Strategies for Self-sustaining Growth 116
a) International Regional Strategies 118
b) Domestic Strategies 119
5.2 Strategies for Cultural Autonomy 122
5.3 Implications for Development Practitioners 127

BIBLIOGRAPHY 134

INTRODUCTION

There is a myth that international aid is much sought after by the recipient countries and that it invariably betters their condition. This myth of international aid has prevailed despite the related contradictions of capitalism, and has sustained a moral commitment in both donor and recipient nations to the humanistic principles of aid. Wallerstein has observed that "Myths are an essential element in the organizing process [creating an atmosphere of] promise and optimism" (Wallerstein in Chaliand 1977:x). The myth of aid has provided the motivation, and development projects have provided the mechanical techniques and tools for development. There is no doubt that the Third World wants and needs assistance. It remains only for the Third World nations to develop strategies for selection which permit separation of the beneficial elements of aid from those which will erode the domestic culture. Within the framework of global capitalism there is room for a variety of patterns of social relations of production of capitalism.

There is an important role for anthropologists in the field of international development, in assisting Third World nations to design their own adaptive model, based upon a maximization of local skills, and a selective domestication of foreign technologies which minimizes the

cultural price to be paid for aid. In order to fill this need, the theoretical and practical literature of the discipline of anthroplology must expand. The biased theories of the past must be culled and discarded; valid theories must be collected and revised; theories and paradigms must emerge to guide the anthropologist in a new kind of field work.

Anthropologists play a number of roles in development; they are observers and recorders of change, and occasionally are asked to participate in effecting the process of change within another culture. The anthropologist who is asked to move into a more central role, that of advocating particular patterns of change for Third World countries, has few guidelines. The literature is very limited, and what exists tends to be coloured by a Western colonial bias. And yet, the particular skills of Anthropology make this discipline well-suited to filling an advocacy/advisory role in the Third World.

Global capitalism is a fact of life in all parts of the world. It is pointless to imagine that the power of the multinational corporations will recede, or that American international aid will become neutral. Rather, the Third World is adapting to the reality of capitalism and the consequent politico-economic motivation for aid. What is needed is a pragmatic approach to development with a sound theoretical base, rather than the present ideological approach.

Ideology is not negotiable. The ideologies of the past few decades have not served to explain the realities of the world economic/political/social scene. Rather, the two dominant ideologies communism and capitalism, have created an irreversible polarization based upon ideology and its defense.

Despite the importance of their ideological differences, both communist and capitalist nations must participate in the internationl economic system, which is dominated by capitalism. Such participation involves a need to export capital in order to foster domestic growth. Foreign raw materials and markets become increasingly important with the pressure of international competition.

International trade and aid are really two sides of the same economic coin, as will be further explained in this paper. International aid is part of the extension of capitalism, and also the extension of both the ideologies of communism and capitalism, in that aid from either the U.S.S.R. or U.S. has in the past implied the obligation for subsequent loyalty to the donor's ideology. The Western liberal myth that surrounds the concept of international aid, in paternalistic terms of 'helping our less fortunate neighbours,' has created a contradiction which obscurs the true nature of aid, and has restricted any progress on the part of the Third World recipients toward self-sustaining growth.

Theory must replace ideology as a model for examining international relations. Theory can also become stagnant, but when it no longer permits discussion and change, it has become ideology. There is a fine line between ideology and theory; many theories have become enshrined and thus lose their value as guidelines either for academics or for practitioners in the field of development. This will be demonstrated in the review of myths and trends in Chapter I.

I have worked in the field of international development, both in Canada and the Third World countries of India, Sierra Leone, and Guatemala. I have been heavily involved in fund raising and development education in Canada, both as an employee and as a volunteer for such agencies as CUSO, OXFAM, CANSAVE, The Alberta Committee for International Aid, and others. These years of experience left me with an unsettled feeling. The sense of what constitutes 'good' development changed from one year to the next, and there were no reliable philosophical guidelines for designing and evaluating a good project. For example. after a year of work establishing a rural medical clinic, I was told that it is a failure because it serves the wealthier people of the village. After organizing the complicated logistics of a Food-for-Work program for building a 60-acre water catchment basin in India, the field workers were told that the project was a failure because it didn't provide permanent jobs for the labourers,

and because the tank would eventually only irrigate the lands of the richer landowners. But the 'rich' people aren't very rich; they just aren't starving; perhaps it isn't so bad to serve them.

In the field there is a gradual gradation between the poor and the very poor - but both groups are victims of domestic and international inequity. During the seventies there was a serious split in development ideology, and it was indeed ideology that underlay the projects, and not theory. We were extensions of Western aid programs. We were not asked to judge, but only to implement. Those that did judge did not agree with each other; there were the conservative agencies such as the Unitarian Services Committee, the protestant churches, and and various agencies derived from fundamentalist churches such as World Vision and The World Literacy Program, which argued that aid is giving money and things to the poor. They sent old Canadian school texbooks to developing countries; they sent outdated medicines, used clothing and food. The other groups who were judging aid projects were the left wing, the Marxists, the NDP and socialists, who argued that aid wasn't helping the poorest of the poor. They had many slogans about 'helping people to help themselves', but few tangible programs, and no patterns for designing projects which would succeed in their terms.

I returned to university in order to clarify my own attitude about international aid. I did not want to continue working in the field until I had found a paradigm

to guide me and others who are also doing their best within a frustrating field. Personal job satisfaction comes from both internal and external assurance that you have done well. In development, this assurance is unreliable at best, because the scale against which to measure the work does not yet exist.

My time at university has helped me to assess my past experience in the field of development and to set it within the theoretical framework of anthropology: to read on both a practical and a theoretical level, and to discuss new ideas with others within the academic environment. This thesis reflects these elements, and my attempt to pull it all together into a practical paradigm.

The concluding chapter of this thesis suggests such a paradigm. It is limited by a number of serious deficiencies: the lack of analytical literature in the field; my own experiential limitations; and the need to test the elements of the paradigm in the field. A paradigm, like a theory, is merely a conceptual tool, or a recipe for action. The quantities of the ingredients, and sometimes the ingredients themselves will change. Nevertheless, my conclusions suggest a starting place, and a series of assumptions from which to evaluate other designs for adaptation. The ultimate goal of this paradigm is to permit an anthropologist to work with a Third World country at any level, village to government, in such a way as to ensure that the adaptive process is always directed

toward cultural autonomy and self-sustaining economic growth.

****

This thesis will review the trends in international aid of the past three decades, explore the various myths and their derivative policies, and examine the effects of present-day global capitalist economy on the economies of the Third World. The global capitalistic system will be examined from the point of view of the Marxist and dependency theorists, and their models will be expanded. Two alternatives to the modernization model will be studied: social transformation through violent revolution, and social transformation through gradual adaptation in response to both external and internal pressures. Presently, recipient societies are required to adapt to aid projects. It is argued here that the reverse should be true: that projects be suited to the cultural and economic circumstances of the recipient society. In the final chapter a paradigm for the anthropological appreach to develoment fieldwork is described. It is a practical model which provides a basis from which new theories and techniques may grow, as the basic assumptions are tested, modified or rejected. The paradigm provides the basis for strategies for economic growth and cultural autonomy, both of which are associated with increased control of aid by recipient societies.

****

> Underdevelopment...began, not in the Americas, in Africa or in Asia, but in Europe, with the transformation of Eastern Europe into a region supplying wheat and other primary materials to the more dynamic economies of Western Europe [Worsley 1984:12-13].

Just as the East-West dichotomy originated long before the rise of communism, so the dichotomy of development and underdevelopment has its roots in 17th century European history; both originate with the conversion of Russia to a source of grain for capitalist western Europe. Prior to the emergence of capitalism at the end of the middle ages (Stavrianos 1981:41) thousands of widely varied societies existed throughout what is now called the Third World. Many of these societies were characterized by complex technological and social adaptations to specific environments. Most indigenous societies were relatively self-sufficient. Many were part of vast trade networks spanning several continents. Societies varied from small egalitarian groups to highly stratified state economies. The concepts of 'development' and 'underdevelopment' betray a Western colonial bias in that the integrity and complexity of pre-contact societies is ignored.

Underdevelopment and dependency are the result of the first three stages of capitalism (Stavrianos 1981:41): European commercial capitalism, 1400-1770, in which colonialism was focussed first on eastern Europe, and then on the Americas, industrial capitalism, 1770-1870, in which the first wave of colonialism faded, and monopoly

capitalism, 1870-1914, characterized by "world-wide colonialism" (ibid:41). The fourth stage, 1914 to the present, is marked by the emergence of the metropolis/periphery pattern, as a result of "defensive monopoly capitalism [characterized by] revolution, decolonization and neocolonialism" (ibid:41). Underdevelopment, then, is a slow process which has resulted from capitalist expansion and consequent unbalanced economic development over the past several centuries. The various popular and academic explanations for the present global politico-economic pattern will be explored within the context of historical factors in Chapter I of this paper.

'Modernization' as a euphemism for capitalist expansion is a concept which has dominated international policy-making for decades. The rich nations saw the Third World as an investment site; the Third World viewed these investments as a method of providing badly needed employment. Thus industrial development, or modernization, became the goal for both rich and poor nations for different but complementary reasons. The resulting imbalance of resources and profit has created or reinforced existing patterns of cultural and economic dependency which will be discussed in Chapter II.

Modernization is a bipolar theory, in part derived from the theory of binary oppositions advanced by Talcott Parsons (1951) and others. The conceptual opposition of development and underdevelopment in modernization theory

has obscured the historical complexities of the economic, political, and social relationships which link the First, Second and Third Worlds in the system of global capitalism. Modernization and development are concepts which are sometimes interchangeable, in that they encompass theories and plans of Western origin for the 'advancement' of the Third World. 'Modernization' really entailed following along the trail blazed by the developed countries of the West.

Modernization implies 'industrialization,' or grafting of an industrial revolution onto the indigenous economy. The two situations are historically very different, however; the countries of northern Europe had been industrialized prior to receiving post-war industrial assistance, whereas the Third World nations had not. Re-establishing the economies of northern Europe did not require a change in modes of production, whereas in the Third World the imposition of Western technology often necessitated major modifications in the indigenous mode of production.

Current Western ideology implies that the state of underdevelopment has always existed in the Third World regions, and that the poverty and economic disparity are the fault of the countries which failed to develop. As Worsley observes, "The blame for underdevelopment is laid upon the Third World itself" (Worsley 1984:20).

This tendency to 'blame the victim' is derived from nineteenth century philosophy: Adam Smith's free market

which justified the exploitation of colonialism, Social Darwinism which justified the right of those in power to continue to lead, and the Malthusian justification for poverty related to over-population (which was the fault of the poor). These theories crossed the Atlantic and with the rise of American economic dominance evolved into the theories of modernization of the 1950s and 1960s, based on the Western model of capitalist industrialization. The Western ideology of individualism, exemplified by the popular mythology that anyone can grow up to be President of the Unites States, justifies the perpetuation of the rule of the elite as worthy, while blaming those that did not reach the top as being unworthy.

There is a very commonly accepted myth about developing nations: they refuse to help themselves. This generalized criticism is applied to all areas of Third World societies: they insist on clinging to traditional healing methods; they refuse to incorporate sophisticated agricultural technology; they won't co-operate in population limitation programs; they won't send their children to school regularly; and their governments spend all their money on military equipment. These myths reflect a superficial truth and a deep and complex misunderstanding on the part of the Western perpetuators of myths.

The global system which has indeed produced the reality of the surface facts from which the myths are derived, also perpetuates the politico-economic system

which reinforces the national and international economic imbalance in all sectors of Third World societies. The dominant capitalist powers have no reason to examine the causes of this imbalance, and no incentive to redress the situation. In fact their interest seems to lie in the preservation of the status quo. Governments set domestic priorities which necessarily reflect the pattern of the global economy.

Just as structural change is often the result of national revolution, the fact that Third World governments spend $2 per capita for agriculture and $300 per capita on arms cannot be altered unless there is structural change at the global level. Structural change is fundamental in that it involves a redistribution of power and resources. International aid is a composite of political and economic goals with a veneer of humanitarianism. The complexity of national, political and economic motives are often intentionally hidden by associated propaganda of a paternalistic nature.

As is the case, these beliefs, when widely held by the dominant "society" of North America, serve to reinforce the power of the metropolitan countries such as the U.S. For example, the illegal U.S. intervention in Guatemala in 1954 was supported by the American electorate after a large government-sponsored media campaign justified suppression of a totalitarian regime so close to the U.S. The U.S. government is currently attempting to justify intervention

in Nicaragua, but because of the disillusionment of the American public which appeared towards the end of the Vietnamese war, a large percentage of the populace now opposes American intervention into Latin American politics. Ideological explanations for colonial aggression are very attractive because they absolve the dominant class of any guilt or responsibility while justifying repressive action. Political ideological arguments justify aggressive action to safeguard economic interests. Therefore Western capitalist ideology cannot provide a satisfactory model for Third World development.

The publicity which has been generated since the early 1970s by the United Nations and the non-government agencies has succeeded in creating a general awareness of Third World poverty and the existence of international injustice among certain sectors of the First World. This has led to a vague atmosphere of undefined guilt. Although some of the most prestigious newspapers (The Globe and Mail, Dec. 14, 1984:6) strongly deny that the West has in any way caused the dependence and poverty of the Third World, the same newspaper occasionally prints letters written by academics, Third World diplomats, politicians, and concerned Canadian citizens, which explain the many facets of the global economic patterns and the failure of aid programs of the past.

During the 1970s the Third World nations began to speak in louder voices in international arenas; the United

Nations sponsored a variety of international publicity campaigns which focussed on specific problems. The result was increased public awareness, frustration at the complexity of the problem, and a too-easy acceptance of simple solutions. The World Population Year in 1974 spawned liberal support for family planning programs. The World Food Conference in Rome (1974) increased support for large transfers of food resources. International Women's Year gave birth to sincere interest in the education and improved working conditions for Third World women. In other words, many were inspired by these well-intentioned programs; few took the time to study the problems behind the rhetoric, and no major structural changes in the world system have been effected.

Structural Change: an analysis of the concept. Parsons has defined the structure of a social system as :

> that set of properties of its component parts and their relations or combinations which, for a particular set of analytical purposes, can both logically and empirically be treated as a constant within definable limits [1982:256].

A social system is dynamic, however, because of the interaction between structure and process. Stability, a fairly complex Parsonian concept, involves maintenance of the variables within a social system in an integrated pattern (1982:258). This means that structural change can only be gradual and evolutionary.

Structural change is profound change within a social system which results in a new set of processes which are adaptive to the new structure and conditions. Within the context of development theory, this implies a more equitable distribution of resources. There are two schools of thought regarding methodologies for effecting structural change: (a) which insists the essential source is conflict and contradiction within the system, and (b) which asserts that gradual adaptation within the global capitalist framework can achieve the same results over time without violence, or in other words, violent revolution versus gradual evolutionary change. Both alternatives are discussed in this thesis in Chapters III and IV, since both are in process in various parts of the contemporary Third World.

As well as the structural approach to the study of political anthropology, there is a politico-economic approach, exemplified by Marxist models, and the processual approach exemplified by dependency theory (Claessen, Kurtz 1979). Marxist theory has provided the useful theoretical concept of mode of production. This is a conceptual structure with two sets of components: (1) the forces of production, sometimes called the means of production, which include land and natural resources, technology and labour; and (2) the social relations of production, which include all the relationships involved in the process of production such as ownership and inheritance patterns, power

hierarchies, division of labour, law, ideology, kinship, and so on (Asch 1979:88-90). When a structure is studied from this perspective, the process of change is identifiable as it affects the elements of the mode of production, i.e. changes in the forces of production and changes in the social relations of production. Within the capitalist mode of production there are many variations. Economies are not stable, but are constantly changing and adapting to new circumstances. Further, two or more modes of production can co-exist, but in such cases one is usually dominant.

A well-adapted economy is one in which the forces of production and the social relations of production are in balance. Disruption in one part of the system, however, can cause a reverberating imbalance throughout. Human actions determine the direction of change, but adaptation must take place within the possibilities which are inherent or which can be tolerated by the system itself.

The Marxist theory of capitalist development is a useful model for understanding the underdevelopment of Third World societies. Frank's processual model (1969) explains the present politico-economic pattern in terms of an extension of colonial patterns, with an urban metropolis composed of head offices of multinational corporations (MNCs), world stock exchanges and the large financial institutions , which controls and exploits the raw materials and labour of the dependent, predominantly

agrarian periphery. Both Marxism and dependency theory are useful tools for the study of global capitalism and its effect on the Third World.

Significant shifts are taking place in current approaches to development. Wolf (1982) and many others are advocating a focus on the periphery which emphasizes the needs and goals of the Third World societies. This has come about for several reasons; first, the Western-initiated capital-intensive projects of the past few decades have failed to effect even a modicum of improvement in the conditions of the people of the periphery in either the Third or Fourth Worlds. Secondly, despite the almost insurmountable barriers of discrimination, enough citizens of the Third World have achieved positions of power such that they are influencing international aid policies. Third, with three 'development decades' now past and documented, a careful review is possible. Many such reviews have been accomplished, and most point repeatedly to the fact that the successful projects are those which originate with the recipient nation, accommodate the society into which the project is being interjected, and involve the local people in substantial change for the better. Examples of such programs will be examined in Chapter IV.

Capitalism is a reality of today's world. Although there is considerable disagreement among experts and scholars alike, Western models for Third World

industriallization are perceived by many to have failed, as have humanitarian appeals to governments and MNCs by individuals and non-governmental agencies. They may have failed because of the impossibility of requiring a voluntary cessation of a teleological system which benefits its perpetrators. Such individualistic appeals fail to recognize the causes and conditions of the situation, and focus only on an end result, methodology which Parsons has described as inadequate (1982:6). The alternative suggested in this thesis proposes that the initiative should come from the Third World, that the possibilities for self-sustaining growth can only be achieved through a higher degree of control of capitalism from within Third World societies.

CHAPTER I

HISTORICAL CONTEXT OF INTERNATIONAL AID

This chapter provides the historical context for the remainder of the thesis. The origin of international aid during the immediate post-war period is reviewed and related to the political alignments which emerged during the Cold War. The early theories and trends of international aid are set into this historical framework, and some of the more well-known theories are described and criticized. Finally, the theoretical approaches of the various branches of social science to the problems of underdevelopment are briefly reviewed.

1.1 The Cold War. The concept of development aid originates with the post-World War II policies of the United States and Western Europe. It is, in part, an adaptation of the Marshall Plan, the European Recovery Program designed by the United States in 1948 to restore economic stability to the nations of Europe after World War II, involving large transfers of capital to the industrial sectors of European countries. The United States emerged from World War II having replaced Britain as the dominant world power. Post-war policies appear to be based on the ideological vision of American leaders that this power could be stabilized. The U.S.S.R., too, was seeking a

stabilization of foreign pressures in order to proceed with domestic reconstruction. Thus, in the 1940s, both the Soviet Union and the U.S. had many common causes: they both sought to maintain their own spheres of economic and political influence; they both sought to limit the influence of the global political trend to the Left (Kolko 1972:713), since its end was promotion of domestic self-sufficiency for the emerging independent nations; and consequently, they both sought to sustain the old social order. This accounts for an interesting paradox: the fact that the U.S. and the Soviets have consistently pursued strong counter-revolutionary policies since World War II, despite the U.S. ideology of political freedom and equality and the communist ideology of the necessity of revolution.

Just as the stance of the U.S. was securing the post-war power within the context of the pre-war social order, the Soviet stance was defensive, seeking not to antagonize the U.S. in the face of the superiority of American political and economic power. Nevertheless change was indeed occurring in the global order despite the efforts of the two powers. Coups and revolutions posed a serious threat to U.S. hegemony, and maintenance of the old order became a prime factor in post-war U.S. policy:

> ...the survival of the old order was prolonged as a result of the internationalization of social change, but it endured only in a long night of terror, repression, and violence that also unavoidably marks and distorts the character of modern revolution [Kolko 1972:714].

Maintenance of the old order was essential to rapid re-establishment of pre-war trade patterns and markets. Since Europe was in disarray and did not have the capital to accommodate the industrial production of the U.S., which was at an all time high after the war-time boom, the U.S. was forced to take rapid action to strengthen foreign markets and reinvigorate the international capitalist patterns essential to American economic well-being. The consequent policies led to European rearmament on a politico-economic basis rather than military, and a supporting ideology of rabid anti-communism, both of which are characteristic of the period known historically as the Cold War. The underlying perspectives of the two major powers are succinctly described by LaFeber:

> The United States wanted a world without power blocs or obstacles to trade, a world in which all nations, under the aegis of the United Nations, would enjoy equal opportunity and equal rights. In reality the Americans would be first among equals in such a world because of their overwhelming economic power and miltary potential.
>
> The Russians planned a different kind of a world. They were weakened by war and were convinced both by Marxist-Leninist ideology and by historical record of the 1917-1939 era that the Western capitalist nations had no intentions of preserving Soviet interests. The Russians therefore wanted a world that would provide maximum security around their borders and as far into Europe and Asia as possible. This security would necessarily include rapid reconstruction of the Soviets' war-devastated economy and would be accompanied by the exploitation of bordering, occupied lands if no other economic means were available [LaFeber 1971:2-3].

The Soviet Union had responded to the post-war situation by consolidating in a defensive pattern, creating

a centralized government which orchestrated domestic trade and production patterns. Although the U.S.S.R. had historical reasons for distrusting the United States, such as the Munich Agreement wherein Great Britain and France gave part of Czechoslovakia to Hitler in 1938, the Soviets were still prepared to seek a balance with the U.S. As the Marshall Plan developed, however, the little confidence that was still retained by the Soviets was quickly eroded by public statements such as the Truman Doctrine of 1947, wherein the President pledged the U.S. "to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressures." This was a clear statement of ideological war against communism directed at the U.S.S.R. The Truman doctrine is the first evidence of a stated policy of a global extension of power. Hoffman notes that,

> Whereas it was the Soviet Union that behaved according to a classical theory of power politics, it was the United States that behaved not at all like a classical great power playing a balance of power game but like an ideological power with a global vision [Hoffman 1974:11].

Subsequent policies emphasized the goal of 'containment' of Soviet influence, and their pattern became that of 'encirclement.'

To summarize, the factors which influenced global policies in the late 1940s and led to the Cold War were:

1. Long-term distrust between U.S. and the U.S.S.R;

2. Ideological differences between the U.S. and the U.S.S.R;

3. The need for both powers to expand, the United States to sustain capitalist markets, and the U.S.S.R. to repair and protect its post-war economy;

4. U.S. military capability - atomic power;

5. Growth of the global influence of the Left, heralding the end of the pre-war empires and the increase of revolutionary parties; and

6. The decline of American capitalism, which led to an "escalation of the United States attempts to master its ever more elusive self-assigned destiny" (Kolko 1972:710).

The communist parties in Europe did not fit the U.S. description of global threat in the late 1940s; they were still in a nationalist phase, coping with the reality of post-war reconstruction. LaFeber suggests that the United States may be indirectly responsible for the increase in Soviet paranoia by initiating the Marshall Plan in 1949. This dominance of the United States in the first post-war decade waned quickly as industrialized nations in Western Europe recovered from the war, and the continuing rise of the Left was evidenced in revolutions led by socialist or militaristic regimes which sought independence from the realm of U.S. power.

The Marshall Plan was an attempt by Truman's government to confront all these factors and strengthen the capitalist system. The stated goal of arresting the spread of communism to Western Europe was merely a corollary, as was the related ideological justification for rearming

Europe. The Marshall Plan, an extensive series of grants to European countries, was aimed at rapidly rebuilding the Western European economies so that they would have the capital with which to buy the surplus produce of the U.S. and raw materials from the Third World, enabling the Third World, in turn, to buy U.S. products. Thus both Europe and the Third World would become firmly integrated into a triangular economic system dominated by the U.S. In other words, a heavy short-term investment of aid was intended to result quickly in foreign purchase of U.S. goods without the need for further aid, and stability of American economic and political leadership would ensue. The Marshall Plan was aid with a purpose, designed to interfere permanently with the domestic politico-economic system of other nations. This set the subsequent pattern for non-neutral United States aid to the Third World.

By injecting $12,000,000,000 over four years to sixteen European nations the Marshall Plan achieved a fifteen to twenty percent increase in national GNPs. Although the Marshall Plan was partially successful in re-establishing the northern European economies, it failed to achieve its purpose. By the end of 1949 both Europe and the U.S. were facing a serious recession, because of the economic stagnation which resulted in part from devaluation of European currencies, consequent lack of demand for both U.S. 'overproduction' and the products of revitalized European industries. This caused a rapid increase in

unemployment in Europe. Some United States experts still believed that the situation could be reversed with still more capital grants, but Congress was not amenable (Kolko 1974:470).

> Other means having failed, the only acceptable continuous government expenditure for an orthodox capitalist economist - and politically for Congress - was for armaments. Western European rearmament on a massive scale was to supplement and follow the [Marshall Plan] [Kolko 1974:473].

This policy of rearmament was adopted despite the fact that the U.S. felt militarily secure without military expansion (Kolko 1974:481). The traditional socialist view accounts for this as a strategy for supporting domestic industrial growth. Thus the rearmament of Europe can be properly understood only within an economic context, justified by the ideological myth of "worldwide Communist conspiracy" (Hoffman 1974:11), which was later augmented by the practice of internationalising local conflicts to justify U.S. political and military intervention (for example, Guatemala, Viet Nam and contemporary Nicaragua). Kolko observes that "in part because it could not afford doomsday [direct military confrontation with the Soviet Union], but mainly because of a shifting perception of the sources of danger to its hegemony [from the Left], war with the Third World became the only conflict the United States could accept" (1972:716). In this context, aid as a form of economic and political intervention can be more clearly understood. According to Richard Falk's analysis the U.S. perspective is counter-revolutionary, and much American

alliance with "regressive and repressive forces in the Third World" reflects a "counterinsurgency mission" (1974:200) in keeping with a quest for a stable U.S. dominated global capitalist system.

During the 1950s and early 1960s the transfer of capital and technology continued from industrialized nations to non-industrialized nations on the basis of political motivation. The power to 'give' technological skills and equipment rested with the industrially advanced nations, primarily the U.S.A., the nations of north-western Europe, and increasingly, the U.S.S.R. The competition between East and West, the U.S.S.R. and the U.S.A., the 'communist world' and the 'free world', the Second World and the First World (Horowitz 1973), continued to dominate the international political scene. U.S. aid was supplied to less developed countries as an incentive for political alignment. The price of U.S. aid was subsequent political and economic loyalty to the donor power. (Although aid from the U.S.S.R. also implied a political tie, the Soviet Union continued to accept non-alignment, as in the cases of Egypt, India, Indonesia and others.)

Writing in 1967, an economist in the United States, Charles Wolf, Jr., defines economic aid as a factor, which when combined with military aid, constitutes a strategy for

controlling insurgency in the Third World. He defines the linkage quite clearly:

> ...military aid refers to programs for which an acceptable measure of performance can be stipulated in terms of specific military outputs, such as force units, delivery capabilities, and military infrastructures. Economic aid refers to programs for which an acceptable measure of effectiveness can be approximated in terms of various economic and social outputs, relating, for instance, to changes in the quantity and distribution and wealth. This distinction is useful notwithstanding the fact that the ultimate objectives of both programs are political....[Wolf 1967:164].

Most of what is now called 'aid' is really either intentionally or by result neo-colonialism, that is, control of "nominally independent countries through [external] investment and support of local elites" (Keesing 1981:515).

The 1970s brought a gradual shift in international political power, as the Third World nations became more firmly established and began to form political alliances based upon common interests. Although the U.S.A. and the U.S.S.R. continued to dominate the United Nations, Third World countries were beginning to vote in blocs in the General Assembly on common interests. Producer cartels were also formed, in which several countries producing a commodity for the world market co-operated to control prices and supplies to consumer nations. The most significant cartel was OPEC, but by 1973 there were many other less visible commodity cartels governing products such as coffee, bauxite, pepper, rubber, bananas, jute, sugar and cocoa (Harrison 1980:330). Some cartels are

still controlled by richer nations, or by multinationals, either directly or indirectly. As Harrison notes, the poverty of many of the producer nations limits their negotiating power (1980:336-7).

Another vehicle for increasing Third World power is the creation of regional trade associations, of which there are at least fifteen, groups of countries which provide each other with a variety of mutual benefits and concessions (Harrison 1980:336-7). Some of these regional trade associations, such as in East Asia, are co-operating on formulating joint plans for complementary future development.

During the late sixties and early seventies it was commonly believed that the world political polarity would shift from East-West to North-South, from the democratic-communist dichotomy to that of the rich nations in the northern hemisphere versus the poor nations of the southern hemisphere. Although much of today's literature about international aid has adopted the second dichotomy, such a generalization over-simplifies the reality of the international politico-economic scene, and it ignores the existence of Australia and New Zealand, developed nations in the Southern hemisphere. Wolf has observed that

> On one level...the diffusion of the capitalist mode creates everywhere a wider unity through constant reconstitution of its characteristic capital-labour relationship. On another level, it also creates diversity, accentuating social opposition and segmentation even as it unifies [Wolf 1983:383].

Rather than a clear north-south split, the major issues of the eighties are related to what Wolf in the preceding paragraph has called the process of "unification" of all societies under the dominating umbrella of world capitalism and the economic primacy of multinational corporations (MNCs).

Capitalist expansion has created a peculiar paradox in that the massive extent of Third World debt have become a new source of Third World power. In a quirk of the market system the investments of private companies and banks in developing countries has reached such proportions that the economies of industrialized nations have become tied to the economies of Third World nations. Examples abound in the literature (Sampson 1981, current periodicals) but the example of countries like Argentina is now indisputable. Argentina owed U.S. $43.6 billion in foreign debts in 1984 and $2.7 billion in overdue interest payments; $650 million of this was owed to U.S. banks (The Globe and Mail, March 29, 1984:B6). The International Monetary Fund has partially bailed out Argentina because of pressure for further support from the banks (not from Argentina). Argentina has reached a stage where, should it go bankrupt, several American banks such as Manufacturers Hanover Trust Company and Citibank would be seriously affected. In essence, economic power, at least in cases such as Argentina, is now represented by a negative economy: the creditors, not the borrowers, are seeking refinancing.

1.2 Trends and Theories of the Past

(a) Single-Variable Programs: (i) Family Planning. In the 1960s the attractiveness and simplicity of a single-cause explanation for underdevelopment which lay the blame with the Third World people, and a single cure, which appealed to the missionary zeal of the developed nations, was irresistable. Ehrlich's book, The Population Bomb (1968), reinforced the growing popular conviction that the poor were reproducing irresponsibly. The implication was that they would use up an unfair share of the finite global resource supply, and would ultimately force a reduction in the Western standard of living. The logical thread of this argument led Western theorists to a neo-Malthusian conclusion: limit population growth in developing countries before the poor of the Third World rise up and take a larger share of wealth. A wide variety of family planning programs appeared, almost overnight. Such programs could be developed quickly and cheaply, relative to the previously popular infrastructure aid projects, such as roads and power plants. Population control programs were strongly supported by United Nations agencies and governments alike; the United Nations declared 1974 "World Population Year." Aid was used as a lever (Hayter 1971:18), tied by donor nations and agencies to obligatory sterilization programs in recipient nations.

In his careful evaluation of an Indian family planning program, Mamdani (1972:13) observes how quickly the "population problem" and its panacea-like remedy, family planning and sterilization programs, were adopted by U.N. agencies and national governments alike. Many of these programs were administered in India, because the Indian government whole-heartedly accepted the idea, (reflecting their colonial legacy, a Western elitist orientation). Mamdani observes that many studies which were carried out to establish the need and justify the effectiveness of family planning programs were superficial at best, some lacking a control group, and some misinterpreting or deliberately misrepresenting statistics. Mamdani (1972) has carefully re-examined the Khanna study, sponsored by the Harvard School of Public Health in the late 1950s in a north Indian village. He concludes that the program failed, despite the official reports of success. He discovered that the final report exaggerates the effectiveness of the program by selecting only positive years for statistical analysis, and disregarding those which did not corroborate the conclusion required by the administrators:

> The field work of the Khanna Study lasted for a period of six years, from 1954 to 1960. The Book [final set of communications prepared by the directors] gives rates for only a period of two years, from 1956 to 1958. It leaves out the beginning two years, when the expectations were the most exaggerated, and the last two years, when the rates were at their lowest [Mamdani 1972:163].

Mamdani has carefully reviewed the documents relating to the study, and he has spent time with the participants in the village, the people who agreed politely to accept the prophylactic pills as a gift, (but did not take them) - actions in keeping with the concept of good manners toward guests. His detailed review of the program reveals many underlying reasons for the ineffectiveness of such programs: the Western bias that there were indeed too many children being born; the a priori assumption that family planning programs would work, (1972:15), and the almost complete lack of understanding of the social and economic need for children in the recipient society by the program administration. Mamdani points out that in several cases, had the program experts compared their 'success' statistics closely with the birth rates in the years prior to the project, they would have discovered equivalent or lower rates. The validity of such statistics is doubtful, and yet they were influential in subsequent aid program planning.

Overpopulation cannot be isolated as a cause of underdevelopment and successfully treated as such. It is connected to many other social and economic factors. In Khanna, for example, some adult siblings were emigrating to find work elsewhere, to avoid further subdivision of family land and to send their earnings back to the village. The villagers recognized the complexity of their problems, however:

> ...if the villagers were solving a substantial part of their "population problem" by emigrating, they were clearly finding a cure for a problem after it had arisen. And if this was the case, then they should have been receptive to the offer of contraception because it would prevent the "population problem." But they were not. The reality was that these villagers were solving their poverty problem by having large families: most of them use the labour of their children within the village, and over a quarter of the families resort to emigration to supplement their family income. This alone explains their lack of receptivity to contraception [Mamdani 1972:44].

Single factor solutions such as the Khanna village Family Planning Program fail because they do not incorporate the totality of the society in which the corrective action is to occur.

ii) The Green Revolution. A similar illustration occurred in the agricultural programs of the 1960s, which focussed on improving agricultural production. The 'Green Revolution', which was intended to increase the yield per acre of cereal crops in the Third World and thus increase the world food supply, did just that, with the application of the improved seeds, fertilizer and pesticides. Contrary to the trickle down theory, which holds that the benefits of capital injected into any level of a society will eventually trickle down to the very poor, the result was an increase in the wealth of large land owners and the ultimate eviction of many tenant farmers to make way for large-scale farming, made more profitable by the improved strains of seed (Harrison 1980:46). The experts had not

anticipated the effect this would have on the other relations of production within the recipient societies.

For example, by 1976 the new seeds had succeeded in substantially increasing the local grain output in the village of Diptipur, in north-east India. The local irrigation system was no longer adequate, and a large catchment basin was built with international aid funding. Its canals would permit a more reliable water supply, and its construction would provide jobs for the many unemployed in the area. The farm land was owned by an elite, and the majority of villagers had little or no land of their own, but worked for the large landowners as agricultural labourers. The irrigation project directly benefitted the land owners, but there was little or no trickle down to the landless poor.

The 'food-for-work' program offered employment during the construction of the catchment basin, for which labour was recompensed by periodic food allocations, which were either consumed by the family of the labourer or sold on the black market to produce cash to purchase other needed items. In situations of true unemployment, food-for-work programs constitute a temporary respite from hunger and unemployment. The end result of such programs, however, is often a return to unemployment for the labourers and an increase in profit for the landowners. A small increase in seasonal agricultural labour may result from the increase in arable land, but there is also a shift to more intensive

technology with the intensification of agriculture, and machines replacing human labour.

The Green Revolution was neither a success nor a failure, nor should it be reduced to such a simple analysis. It provided the assurance that there is indeed enough land to provide food for the growing world population, but redirected the cause of the problem back to the international economic system. The problems of development lie within the realm of land ownership, and control of distribution and the means of production (Lappe and Collins 1977), and not simply in the quantitative area of agricultural output.

(b) Sociological Theories. As early as 1938 Parsons warned against the danger of research which only uses facts which support a theory. This practice is in part explained by Parsons' observation that the human consciousness can only deal simultaneously with a few variables. This human limitation explains the popularity of single variable development theories. According to Parsonian action theory, "conditions may be conceived at one pole, ends and normative rules at the other, means and efforts as the connective links between them" (1982:7). A central weakness of modernization theory is that it has taken the end as given, i.e. 'modernity,' and has focussed on the means to modernization.

Within the context of Parsons' theory, a further weakness is revealed; even though the 'end' is stressed, the normative values used to determine the choices for the Third World are Western norms and not those of the Third World societies. Since norms arise from social action on the part of individuals within a society, the incongruence of modernization theory is that although the end may be shared by both the West and the Third World nations, the conditions and normative variables which constitute the theory are not shared. The United States, through international aid, has attempted to institutionalize Western norms in the Third World; to the extent that this has happened, usually among the elite, modernization goals have been adopted. The superficiality of the success of modernization is more clearly understood in the context of Parson's work on the traditional/modernity dichotomy, and action theory.

During the 1950s and '60s a number of sociologists turned to the study of the 'sociology of development.' According to Tony Barnett, however, many of the studies and theories of this era were "misconceived, intellectually abortive, and in some cases downright pernicious in their influence" (In Oxaal et al 1975:1). This observation is consistent with the idea that modernization theory is really an ideological projection of capitalism.

The political theorists were perhaps less dangerous, focussing on the future; the 'convergence' theorists argued that a new post-industrial society would evolve from a convergence of capitalism and socialism. They supported this theory with the evidence of increasing state control in the United States and decreasing state control in Russia. These idealistic theorists drew from the work of "such diverse thinkers as Saint-Simon, Comte, Hegel, Weber, [and] Durkheim" (Wallerstein 1974:387). Their projections for the future varied from the birth of a classless utopian society to the emergence of a managerial class, which rather than a capital-based elite, would form a meritocracy. According to Turner (1979) they accepted Rostow's simplistic 'take-off' theory unquestioningly; because of academic isolation the sociologists did not understand either the historical context or the economic principles involved. In interdisciplinary studies there is always a serious danger that a theoretical error in one discipline will be tranferred to another discipline and unwittingly compounded. Development theory encompasses many fields, and these vary from one project to another.

(c) Economic Theories. Development plans and strategies first emerged from the field of economics. In the 1950s and '60s the field of economics was pre-eminent in world affairs; scholars and experts were analysing the international scene in terms of economic projections and

formulae (Myrdal 1957; Rostow 1960). In his book, The Stages of Economic Growth (1960), Rostow introduced his theory of linear development which strongly influenced the next decade in both theoretical and practical domains. (It was closely related to Sahlins' theory of the origin of the state [1960], in which he, too, postulated evolutionary cultural stages, ascending from a low level of complexity, egalitarian societies, to the highest level of complexity, the state.) Other academics created typologies, positing levels of development based upon economic indicators. Such classifications gave rise to mathematical projections regarding the amount of aid required to permit an advance to the next stage of development. The top level was that of Western capitalism as practiced by the United States.

There were many catch phrases which arose from the theories and books of those years, such as 'single-sector investment,' or the idea that economic growth can be stimulated by heavy investment directed towards a particular part of the economy of a developing country (usually the industrial, rather than the agricultural, educational or health sector). Rostow (1960) argued that a heavily concentrated investment of resources in the industrial sector could push a developing country to a 'take-off' point, after which it's economy would be self-sustaining.

The donor programs of the late fifties and sixties, characterized by the deployment of field experts to oversee the capital-intensive infrastructure projects which were wholesale transfers of western technology, have evolved to the present stated goal of being "Partners in Development" (Pearson 1969). Such terminology, however, belies the inequality of access to economic and decision-making power that still exists between the partners. Although the industrialized nations tend to pay lip-service to the idea of equality, they continue to impose obligations tied to development aid which reinforce the international patronage relationship. In 1972 an International Labour Organization expert at a technical institute in India was paid US $2000 per month while the local counterpart, with equal education and experience, received the equivalent of US $200. The 'counterpart' arrangements begun in the seventies were more often euphemisms for superior/subordinate relationships; these programs (US AID among them) continue to place white, Western-educated experts in advisory positions in Third World projects. Whether they are called 'experts,' 'partners,' 'counterparts,' or 'colleagues.' the fact that the individual represents the political and economic power of the donor agency or nation, and often is also reminiscent of a recently expelled colonial power, belies the nominal equality of any such relationship. The fact that Third World nationals (even those with Western educational qualifications) are seldom placed in advisory

positions reveals the underlying political motivation of the donor retaining control (Lewis 1973).

The era of economic planning for development culminated in the widely acclaimed computer model for world development created by the Club of Rome (Meadows 1972), based upon mathematical calculations of population, resources and other variables. The "Limits of Growth" study created a new awareness of the global problems which unlimited and unplanned growth could create, and accomplished this by using the most advanced technology of the day - the computer simulation. The use of the latest technology to provide a view of the future added a legitimacy to the work of the Club of Rome, and fueled many derivative studies and programs to assess and prevent the potential dangers of unlimited economic expansion.

The prevailing liberal notion of the seventies was that developing countries should determine their own goals, and should control externally funded projects, in keeping with their national priorities; 'self-determination' became a catch-phrase in development circles. This ideology contrasts markedly with the economic reality of what Greene calls "The Great 'Foreign Aid' Fraud" (1971:122), by which he implies the contradiction between overt and covert goals of American aid programs. Many aid programs actually create a negative flow of capital, or what Onyemelukwe has termed "economic leakage," which is characterized by:

(a) tax rebates to encourage foreign investments;
(b) export of normal and accelerated depreciation and profits by foreigners;
(c) export of salaries and other financial inducements paid to foreign personnel;
(d) fees for consulting and other special services to outside groups;
(e) payments to skilled foreign construction and administrative personnel (most major projects are executed by foreign firms);
(f) recurrent costs of spare parts and servicing from foreign suppliers;
(g) recurrent costs of buying raw materials, tools and other production aids from industrialized countries;
(h) other leakages arising from over-pricing of foreign goods for construction and industrial use [Onyemelukwe 1974:16].

Reacting sharply to the capital-intensive nature of the infrastructure projects of the 1960s, Schumacher (1974) presented an alternative approach to development economics which he called "intermediate technology" (1974:143). His strategy was derived in part from Gandhi's goal of local-level economic self-sufficiency. Far from being a millenarianist appeal for a return to the past, however, Schumacher's approach was directed to the communities of the developing countries themselves. He argued that technology and investment should be carefully selected to suit the needs and character of each community. With appropriate technology, poverty-ridden dependent villages could achieve a measure of economic independence. Schumacher's book heralded the beginning of the end of the wholesale transfer of Western political and economic models, and of single-variable solutions. There has been a trend in subsequent theories to include the many and varied

factors which affect development, and even to some extent to allow for regional differences in social patterns which will affect development. Schumacher forced aid practitioners and politicians alike to acknowledge the existence of a recipient culture with an integrated technology of its own.

The negative corollary to Schumacher's work was the 'appropriate technology' band wagon. Although a valid and practical concept, appropriate technology also added fuel to the ever-present neo-Malthusian fire; there were those who argued that the West should not export technology - that indigenous technologies were ipso facto appropriate, and that the West should not intervene to improve production and efficiency. Such simplistic reasoning is usually thinly disguised self-interest or apathy. Nevertheless the concept of appropriate technology has led to a deeper respect for indigenous technology, and a growing awareness that technology does not exist as a discrete entity in itself, but is integrated into the society as a whole.

An even more serious side-effect of the appropriate technology credo was that industrialized nations saw it as an excuse to 'dump' out-dated machinery on Third World nations. The practice was justified by the belief that any technology was an improvement, and the fact that Third World technicians did not have the training to maintain more advanced equipment. The shipment of many out-dated

articles, from tractors to typewriters, raised many problems for the recipients. Most often, parts were no longer available when the machines broke down. More insidiously, though, First World nations managed to burn both ends of the candle, in that they received credit and even some glory for 'donating' a great deal of equipment to Third World countries, at the same time as they rid themselves of old equipment. Often the Third World nations even paid the shipping costs which, for large machines, were considerable.

There has indeed been a theoretical shift from the capital intensive 'infrastructure' projects, to the Pearson model of equal partnership, but no serious attempt has been made to achieve the recommended U.N. target of 1% of GNP to be assigned to international aid. Pearson's commission modified that goal to 0.7% of GNP, to be reached by 1980. This target also received U.N. approval (Pearson 1970:148). Unfortunately, very few countries have adopted it as a serious economic goal. Chaliand observed that "we can better grasp now the extent to which development is not an economic problem to be solved by an injection of capital, but rather a political [sic] problem" (1977:12).

1.3 Anthropology and Development Theory. Anthropology has come late to the realization of the implications of its colonial origins and Western bias. Applied Anthroplogy, and by implication, the entire discipline, has earned a

negative image which persists in many Third World countries. Knowledge accumulated through the trust of the subject society was often used by colonial governments to increase their advantage over subordinate societies or war-time enemies. This identification of anthropology with methods of subjugation and espionage has had two important effects on the discipline. First, it has spawned a variety of reactive theories such as those identified by Turner: (1) the new human rights - liberal philosophy, (2) the "one culture is as good as another" credo, (3) the "endangered species" theme, and (4) the museum piece thesis (1979:12). Secondly, it has seriously hampered the application of current - and far more objective - anthropological techniques to the field of development. Only recently have anthropologists begun to play a useful active role in development, often as cultural brokers, or intercultural 'interpreters,' explaining two societies to each other with a view to aligning development goals between aid donor and recipient, and in project design and evaluation. The central role that anthropologists could play in development, in predicting and minimizing the impact of culture change which results from development, has yet to be fully realized because of the lack of impact of the discipline and the consequent lack of influence of its practitioners.

In summary, the various fields of social science have failed to provide a comprehensive theory of development.

There are many reasons for this failure in addition to the very fact of segregated study from disparate (and necessarily partial) perspectives. As well as disciplinary isolation, the various fields have often attempted analysis of a present situation without reference to the past. Here, Marxism, with its focus on the historical context of present events, has provided a useful redirection to the Gestalt focus of recent social science. Wallerstein indicates another weakness, that is, "the trap of not analysing totalities" (1974:391). The structuralism of early anthropology studied culturally isolated societies within a synchronic context. The cybernetic theory of the 60s supplied a model which revealed that change in one part of a system (society) resulted in change in other parts of the system (Rappaport 1967, Bateson 1972). Systems theory is gradually replacing the earlier linear and evolutionary models (Sahlins 1958, Service 1962). A new theory of development, then, should accommodate the relevant historical context, include interdisciplinary material and acknowledge the indigenous adaptive economies and the social context within which the process of development is occurring, at the same time avoiding the danger of becoming too diffuse. It may encompass elements of the various current political anthropological theoretical approaches, structural, processual, politico-economic and network analysis (Claessen, Kurtz 1979).

Theories of development, as they are manifested in the speeches and rhetoric of academics, politicians and the elites of North America and Northwestern Europe, are based upon the assumption that there exists a discrete body of concepts and goals which constitutes the notion of 'development'. Having artificially dissociated the process of 'development' from the network of international politico-economic forces, the proponents of development then use this discrete, albeit unrealistic, body of knowledge to justify capitalist policies which would otherwise appear as foolish investments, at worst, or ethnocentric profit-oriented enterprises, at best. The collection of concepts known as 'development' distinguishes clearly, and again artificially, between states of 'development' and 'underdevelopment'. These states are artificial because they are defined in terms of Western national goals for economic, political and social well-being. The modernization model of development is merely an extension of Western-dominated capitalism (Hayter 1971).

The modernization model of the past thirty years, derived from colonialism and based on Western patriarchal and paternalistic ideology, no longer serves. Thomas Kuhn (1970) offers a model for the evolution of theory, in terms of a "scientific revolution," which explains the current state of development theory. As modernization theory and derivative development theories have proven inadequate,

they have fragmented into partial theories focussing on single variables or the bias of specific disciplines, as evidenced by the myths and trends reviewed in this chapter. This cycle of dissolution leading to an emergence of a new paradigm - which itself will dissolve as its utility no longer fits the changing reality - is characteristic of the evolution of scientific theory (Kuhn 1970:viii). Within the context of Kuhn's model of successive paradigms (1970:103), development theory is in the pre-paradigm phase of a scientific revolution. A new theory of development is emerging which will not be

> ...just an increment to what is already known. Its assimilation requires the reconstruction of prior theory and the re-evaluation of prior fact, an intrinsically revolutionary process that is seldom completed by a single man and never overnight [1970:7].

The next paradigm can be a recombination of many of the components of the old, mixed with new elements as well; "its reception often necessitates a redefinition of the corresponding science" (Kuhn 1970:103). It is suggested in this thesis that a new paradigm might integrate useful theory from the past, such as elements of Parsonian action theory, within a social structure that integrates variables from the cultures of the Third World and the industrialized West.

With the increasing input of Third World nationals, and the serious effort on the part of Western social scientists, the word 'development' is slowly becoming dissociated from the negative connotations discussed

above. As the economic and political causes of underdevelopment become more widely acknowledged, the emotionally charged implications of underdevelopment as a sign of failure are being replaced by more objective terminology, and more objective discussions. In this paper the alternative model, 'adaptation,' is offered because while it removes the value implications of the concept of 'development,' it is also more inclusive. The concept of continuous adaptation of modes of production accommodates regional and historical differences. Where the word development refers to a goal-oriented process which culminates in the ultimate state 'developed,' adaptation implies a never-ending process within the context of a dynamic world system, and corresponds well with the concept of a parallel succession of related theoretical paradigms.

CHAPTER II

THE PRESENT CONTEXT: THE CAPITALIST WORLD MARKETPLACE

In this chapter patterns of cultural and economic dependency are discussed, together with the historical explanations.

2.1 The Nature of World Capitalism. Capitalism is a variable that is common to all societies within the context of the global economy. In order to create a paradigm upon the basis of which predictions can be made, it is first necessary to understand the nature of capitalism. With this understanding a variety of local and regional adaptations can be studied, and elements which promote integration can be identified. This chapter examines the economic functioning of capitalism as a system, and Chapter III examines revolution as an adaptive strategy. Chapter IV examines strategies for adaptation which are more analogous to Parsons' theory of adaptation (1982:23) and Kuhn's theoretical revolutions, models for structural change without violence.

The impact of the world capitalist system is felt much more strongly in the developing countries, which for the

most part lie in the southern hemisphere of the planet; thus the north-south distinction remains useful. Rather, than an opposition, however, the issue is actually a matter of degree of impact; rather than the popular concept of a rich-poor dichotomy, rich and poor nations can be understood much more accurately as occupying different places on the same continuum. The profit motives of the most powerful of the multinational corporations result in the manipulation of the economies of rich and poor nations alike.

There is a central paradox inherent in the nature of capitalism which perpetuates the system. Third World agrarian peasants and factory workers are an essential part of the capitalist world economy in their capacity as a labour force, and yet world leaders in both developed and developing nations argue with much rhetoric that their aid/investment/plan/program will improve the lot of these people. This contradiction, once recognized, explains at least partially why the rich get richer and the poor get relatively poorer. Attempts to integrate the poor, to change their status from cheap labour in-put to fuller participation within the capitalist economy, must fail because: a) the poor are already integrated as an exploitable resource, and b) altering this role would alter the essence of capitalism - an unlikely event, since it is politically untenable. Opportunities for workers to accumulate capital are inconsistent or non-existent. To

borrow from Marxist terminology, the social relations of production have been transformed to the dependency relations of distribution. The present global structure of capitalism precludes the process of establishing self-sustaining growth patterns in the Third World.

The power of the MNCs to control capital distribution throughout the world transcends political-national boundaries. The power of the MNCs is similar in many respects to that of the traditional imperial powers during the colonial era in that it perpetuates an economic imbalance within developing nations, characterized by dependence upon external market forces. The political rhetoric of the seventies espoused the goal of national self-sufficiency for developing nations. This goal is no longer appropriate; the interdependence of nations is a reality. An even more appropriate goal for developing nations than self-sufficiency, according to Mair (1984), is self-sustaining growth, "in which increases in productivity are generated from within the structure and do not depend on outside assistance" (1984:4). Mair's conceptualization acknowledges the intricacies of competition in the world market, but implies that national goals should be directed toward control of home economies within the international network.

The various theoretical models of global systems (Frank 1967, Wallerstein 1974, Stavrianos 1981, Wolf 1983, Mair 1984, Worsley 1984) are much more inclusive than the static

or evolutionary models of earlier anthropology. They permit both synchronic and diachronic analyses of the diffusion of capitalism and consequent adaptations in recipient societies. The global system is a network of economic units in which many diffusive processes are occurring simultaneously. With this assumption always in mind it is possible to focus on a particular diffusive process within the context of the wider framework of the superstructure of the productive pattern which we now know is part of the process of adaptation to changing circumstances. In other words, diffusion is not a linear process, nor is it uni-dimensional. Despite its complexity, it can indeed be analysed as a never-ending adaptive process by which an aspect of one society is incorporated into another. The process is seldom a direct transfer, but more often a transformation as an element of one society becomes part of the adaptive strategy of another.

2.2 Multinationals as Extensions of Capitalism. To the newly independent nations of the Third World the multinational corporations represented an alternative to continued economic dependence on a former colonial power. These countries were often bankrupt, or nearly so, after financing their own revolutions. They were still subject to the dictates of world market prices, and were facing heavy debt, high unemployment, and a mandate to effect

major changes within the post-revolutionary society. Because multinational corporations offered jobs and investment capital (at least in the short run) they were often invited into Third World nations and granted a variety of incentives.

In the past colonialism initiated diffusion of Western capitalist values and techniques; today multinational corporations play this role. The difference between these two waves of diffusion is that several strategies for increasing recipient control of the process now exist in the Third World. These strategies can also diffuse throughout the Third World, in the sense that ideas and technologies are thought to have diffused in the past. (Strategies for selective diffusion are examined in more detail in Chapter III.)

Although initially in the 50s and 60s industrial development in the Third World involved transfer of large amounts of foreign capital from industrialized nations, by the 1970s this had changed. Reich (1985) identifies two kinds of contemporary multinational organizations. The first is the "national multinational," which although it operates in many countries, aims to benefit the home country; "National multinationals set up assembly plants abroad...but keep research and development and skilled manufacturing jobs at home" (1985:28). His examples of such MNCs are those of Japan (also see Morgan 1980:32). The other kind of MNC, according to Reich, is the truly

transnational corporation which operates in many locations, and whose goal is profit for the corporation. It has "no allegiance to any country, including the one in which it grew up; it moves assets and expertise around the world to maximize its corporate interests" (1985:28). The international MNCs seek to maximize profit. This may mean centralizing production facilities in developed countries, where the best markets are located; consequently foreign investment in Latin America, especially that of U.S. origin, has reduced from 12 to 6 per cent between 1948 and 1968. Alternatively, profit-maximization may mean exploitation of cheap raw materials and/or labour in Third World countries. Many patterns exist - all geared to profit for the central corporation. Rather than being controlled by bilateral agreements governing personnel, supplies and equipment, tariffs, and other measures,

> ...transnational transactions [are] controlled by a central organization, which creates competition between national governments to gain tax concessions, profit repatriation, duty-free admission of equipment, and so on in exchange for locating a manufacturing firm in one or another site. The existence of alternative sites in other nations has made the threat to shift locations sufficient to overcome nationalistic reactions in the past, and the fact that the corporate transnationals are often greater than the entire annual budget of the government of many smaller countries means that massive movements of capital could affect currency stability, taxation revenues, and the total balance of trade so adversely that the government in power could collapse [Nash 1979:426].

The consequence for the Third World is economic dependence on outside forces; capital is owned and invested from

outside the domestic framework. The domestic contributions to the international economic system are labour and raw materials, and their prices are externally determined.

Capitalism must, by its very nature, continue to adopt new technology and new ideas which contribute to an increase in profit. Labour-intensive projects are only economical where the workers are paid wages so low that their replacement by a machine would cost more. Where machines are cheaper or quicker people are replaced, even in countries that have a large unskilled labour force available. Mechanization, according to the Western model of modernization, is development. Although the wages paid to workers do remain in the country, the products are often exported to developed countries, as are the profits. In addition, the preferential tax and trade arrangements which Third World nations make available to MNCs to encourage investment, actually compound the situation to result in a net export of capital, and a consequent dependence upon foreign loans (O'Brien 1975:17). The profits which do remain in the Third World are usually controlled by the elite, and are often used to buy luxury goods, arms and other commodities imported from the developed nations.

The MNCs are protected by a network of laws and policies which maximize profit by restricting competition through heavy taxation of competitive imports. Harrison (1980:320) notes that despite the benefits of free trade and its place in liberal philosophy, the West continues to

practice protectionism because those in power benefit from the protective tariffs which increase their profits. Canada and the United States have extended these policies to permit payments to farmers for not producing crops in order to maintain world market prices at an artificially high level. Similarly Brazilian coffee crops have been ordered burned to limit the supply. Protectionism is therefore a result of capitalism in that governments are strongly influenced by the MNCs, even though these policies are inconsistent with the ideology of free trade. The current intensification of protectionism is also the result of a prolonged recession within a Western capitalist-dominated world economy (1980:321). Such policies have excluded the Third World from entry into serious competition in the world economic marketplace. East Asia, however, has developed a number of strategies to combat this pattern. (These will be explored in detail in Chapter III.)

Dependency is indeed a system, when seen in this light; the various political, social and economic elements exist in a pattern which reinforces itself. Dependency is not stagnant; it changes in response to changes in the developed capitalist world.

2.3 Impact on the Periphery. Centralised control of capital investment, either by governments or MNCs far removed from the village, leads to a dehumanization of

large capital-intensive projects. Human issues are at best inadequately accommodated in project planning, as in the Kariba Dam project in Zambia and Zimbabwe, (Mair 1984:Ch.8), or at worst totally ignored, as in the James Bay hydroelectric and Bennett Dam projects in Canada (Richardson 1972, Feit 1979). These projects resulted in irreversible environmental changes over huge land areas, upon which the economies of many people had been based. Traditional modes of production were irrevocably altered, with little or no planning for the indigenous economy.

In the case of the Gwembe villages displaced by the Kariba Dam, social factors were considered, but their context was misunderstood or ignored. For example, only men were included in the advance building of new homes on the resettlement site, overlooking the fact that both men and women play important roles in traditional Gwembe home construction. This circumstance, added to the fact that working on new homes required leaving seasonal work in the old village site undone, meant that construction of new homes was often left incomplete. Compensation for the move was paid, but to male heads of households or farms, not at all in accordance with the ownership and inheritance patterns of the society. This led to unfair distribution of compensation funds and social tension in an already seriously disrupted society. The project director's ignorance of seasonal labour patterns, the sexual division of labour and the patterns of ownership and inheritance

increased the already considerable hardship on the people being resettled.

Such situations occur in developed countries as well. Preparation of native people for resettlement after flooding of villages in British Columbia by the Bennett Dam project was nil. In northern Quebec the oversight of the impact on native peoples of the James Bay Hydro Project was mitigated by political reaction on the part of the James Bay Cree. Even so, the project had already begun, before the Cree and Inuit became aware of it. They found out about it through the newspapers, and not through consultation or any sort of advance warning on the part of the federal or provincial governments. Public announcements exclusively emphasized the potential profit which would result from the improved technology. In both these cases the fact that the subsistence economy of hundreds of people was to be destroyed was of no importance to governments and corporate administrators controlling the project. Within the framework of capitalism such decisions are made on the basis of short-term profit, and not long-term social or environmental cost. Both governments and corporations are caught in a profit trap, forced by the capitalist "mode of production which requires a company to produce as cheaply as possible or be driven out of business" (Asch 1979:92).

Governments are sometimes forced by corporations to make difficult choices for the use of land. Usually such

choices involve either retaining the land for continued farming, or permitting its development for industrial purposes such as mining or flooding. Environmental damage occurs from many causes. Uncontrolled urban spread frequently covers highly productive agricultural land with concrete. Seldom do urban planners have the power to influence politicians to limit residential and industrial development to poorer grades of land. The consequences are complex, and include the displacement of small farmers serving urban markets, the transition of self-sufficient rural farm communities to dependence upon urban employment, and the artificially high prices necessary for replacing such produce with imported commodities. Always, economic, social and environmental effects are intertwined.

The Green Revolution and the consequent shift to mechanized farming has led to a focus on producing the maximum crop yield per acre in order to compensate for the extremely high overhead costs of machinery, improved seed, fertilizer and pesticides. Profitable farming now requires such a large capital investment that few individuals can afford it. Morgan reports that the world grain trade is dominated by only five multinational companies, Cargill, Continental, Louis Dreyfus, Bunge, and Andre (1980:13). These companies are well insulated from the "falling prices, bad weather, and governmental policies that sometimes depress farm prices. The grain companies, one stage removed from the production process, can make money

whether prices are rising or falling," (Morgan 1980:31) because of their size and diversity. Here again, the questions of local environmental alteration or displacement of jobs are far removed from the corporate board rooms.

One of the side-effects of the narrowing focus on agricultural yield is the increasing specialization of seed grain. The 'improved' seeds are often more sensitive to disease and changes in weather conditions, and thus require high quantities of pesticides and fertilizers. The original seeds which had adapted to the local habitat over centuries were replaced completely in some cases by the new but sensitive hybrids. The local seeds were seldom saved, so that when the new ones proved uneconomical for the small farmers, and in some cases even for the large farming companies, they could not return to the hardy seed which was well-adapted to the local growing conditions. Dependence upon the expensive new seed was thus unwittingly assured.

Specialized hybrid seeds have led to the growth of the pesticide and fertilizer industry. Many of these plants are built in Third World countries to minimize labour costs, benefit from the more lax industrial safety laws, and to be close to the crops [usually export crops and not food for the local people (Weir and Schapiro 1981:6)]. The recent example of Union Carbide's Bhopal plant, which killed 2,500 people as a result of a leak of poisonous gas, underlined the fact that multinationals can be more

powerful than governments, and also that profitability takes precedence over social issues. An Indian scholar, Amil Hearwal, was quoted as saying that the safety standards for pesticide production are not enforced in India, either by the state or central governments (The Globe and Mail Dec. 14, 1984:8). Because agreements for marketing pesticides are made with each government, many pesticides are used by Third World farmers that are not legal in richer nations. It is reported that each year over 6000 Third World farmers die from pesticide poisoning (The Globe and Mail Dec. 14, 1984:8). Nonetheless many Third World governments continue to permit testing and use of pesticides that have not been approved - or have been banned by the United States Food and Drug Administration (Weir and Schapiro 1981). The periphery provides the location and labour for testing new industrial and agricultural programs which are designed and controlled in the metropolis.

2.4 Aid as an Agent of Capitalism. The effect of international aid on indigenous modes of production can be examined from three perspectives: technological, social and economic. Aid projects vary widely, as graphically illustrated by the examples of the American 'aid' to the Contras in Nicaragua in the form of arms to overthrow the Sandanistas, and the Swedish donation of $800,000 to help the Sandanista revolutionary government hold free democratic elections. On a superficial level, however, aid

is usually considered a transfer of money, goods or technology from one society to another, with a view to improving the wellbeing of the recipient society. This transfer is often evaluated from the perspective of the donor in terms of acceptance and subsequent use of the new tool, water well, clinic, road, school, or other tangible result. Many of these failed in the 1960s because of their 'add-on' nature. The technology was not seen as necessary or complementary to the existing mode of production, but was simply grafted onto it; therefore it was ultimately ignored or rejected. 'Successful' projects (usually a judgement made by the Western funding body) resulted from integration of the new technology as a part of the local adaptive strategy. Evaluation of success, however, occasionally failed to stand the test of time, in that acceptance of a new technology could lead to long-term alterations within the recipient society, some of them negative, such as disruption of labour or health patterns. For example, irrigation projects are seen as contributing factors to the spread of many diseases. The lagoon, basins and canals provide new breeding grounds for infectious agents or vectors of many tropical diseases such as bilharzia, Guinea worm, malaria, diarrheas, and filariasis. The construction phase attracts non-local labour, often introducing new diseases. The resulting increased water supply provides a new meeting place, or even a new population centre. The statistics from the

Aswan Dam installation in Egypt are startling: "In four selected areas in a three year period bilharzia infection rates increased as follows: from 10 percent to 44 percent, from 7 percent to 50 percent, from 11 percent to 64 percent, from 2 percent to 75 percent" (Hughes and Hunter 1970:458). New technology, whether seemingly small, such as replacing wooden plows with iron, or connecting isolated villages to the metropolis with new roads, have negative and positive effects. Often the negative effects are not easily recognized because they are not directly connected with the technology, as with intensified illness ratios, disrupted labour patterns, alterations in population composition and local political structure.

The second perspective on aid is that of acculturation, the subsuming of one culture by another. Aid programs and multinationals are principle vehicles for acculturation in the Third World, through the examples of their field workers, and the Western style work environments created to receive Western technologies. Western individualism is strongly associated with profit motive and privatization of land and tools, both of which are encouraged by MNCs, donor agencies and governments, and Westernized local governments alike to promote consistency throughout the international corporate community. The transmission of the values of the economically dominant group and the tranformation of the indigenous society is called 'cultural dependency' by Mazrui (1975:332). Privatization of wages, land and tools,

usually to males, can cause a serious disruption of traditional kinship modes of production. By giving tools to male heads of households in societies which are based on extended families and practice joint ownership, the local mode of production is severely disrupted. The power of the kinship group to act together is divided and neutralized, and the only alternative is small-scale production for individual profit, or sale of land. Many small parcels were bought up in this way by large companies, anxious to grow crops such as sugar, coffee, sisal and palm oil for the export market. The consequent mode of production reflects an externalization of control of land and capital and a shift from the family as both source and beneficiary of labour to wage labour by landless or tenant farmers. An adaptive strategy such as this occurs by default; the derivative economic systems may give rise to other adaptive techniques such as strengthening of local markets and growth of small entrepreneurial ventures which serve to balance the negative effects of the transformation.

The third perspective for assessing the mechanics of aid is economic, based on the fact that capitalism provides the base for the cultural and economic expansion of the West into the Third World; the multinational corporations and international aid projects are central vehicles for this diffusion. The two are interrelated since the equipment used in aid projects is often produced by the MNCs. For example, bilateral aid projects which insist

that Canadian-made tractors be bought and shipped to the recipient country benefit the MNC which produces the tractor, and the shipping company, despite the possibility that the recipient country might have located closer and cheaper tractors. In this instance a permanent link is established between aid and trade, with dependency on the supplier country for the perpetuation of new technology. The cost of producing the tractors, Canadian parts and costs of labour for assembly are all absorbed into the project as 'aid,' when such allocations of funds might more aptly be called 'support for domestic industry.'

A second example of the link between aid and trade is that of powdered milk. In many rural health clinics and hospitals in Africa, many originally established as aid projects, large quantities of powdered milk were being given free to new mothers in the late '60s and 1970s as a promotional gift from the Nestle company. Large advertising signs throughout the urban and rural areas promoted the product; a picture of a healthy black middle class mother and child with a bottle of Nestle's powdered milk reinforced the notion that bottle feeding was superior to breast feeding. The campaign was very effective, but the results were disastrous. Without the facilities for cleaning and sterilizing the specialised feeding equipment, the mothers unwittingly infected their babies with gastroenteritis. In order to extend the supply of milk and reduce the cost, a diluted mixture was often used, and

babies suffered from malnutrition. Bottle fed babies were deprived of the natural protection of the antibodies in breast milk. The neonatal death rate increased rapidly as a result of the Nestle campaign, and health extension workers found it extremely difficult to effect a reversal of the acculturation process, especially since most of them were representatives of the dominant bottle feeding group. Appeals to African mothers to return to breast feeding were interpreted as patronizing; bottle feeding was only for the elite.

It was the aid agencies, however, who first realized the impact on neonatal survival and initiated a campaign to re-educate mothers and to reverse the Nestle advertising campaign. Ultimately the British agency, War on Want, took Nestle to court, where the judge ordered the end of such advertising. Thus aid agencies are not necessarily servants of the MNCs or their home governments: the link is strong, but the War on Want action indicates that agencies have the potential to understand the cultural effects of capitalism on indigenous societies and to play an advocacy role, albeit after the fact. (Note: War on Want is a British voluntary agency and Nestle is a Swiss multinational; the trial was in a British courtroom.)

Aid, with its political and economic links to trade, is biased towards the protection of Western interests. Aid projects frequently serve to increase dependency due to failure on the part of either donor or recipient to

acknowledge and control the covert social and politico-economic aspects of aid. The next section will examine the theoretical explanation for the process of dependency.

2.5 Dependency and Dependency Theory. Many authors have traced the history of capitalism and its effects on various regions or elements of global society (Frank 1967, Wallerstein 1974, Stavrianos 1981, Wolf 1982, Worsley 1984). The work of Frank and Wallerstein contrasts sharply with earlier linear theories (Sahlins 1960) in that "they have replaced the fruitless debates about modernization with a sophisticated and theoretically oriented account of how capitalism evolved and spread, an evolution and spread of intertwined and yet differentiated relationships" (Wolf 1982:23). The work of Frank and Wallerstein and others after them forced a new view of the world as a global system, a totality in which

> the metropolis expropriates economic surplus from its satellites and appropriates it for its own economic development. The satellites remain underdeveloped for lack of access to their own surplus as a consequence of the same polarization and exploitive contradictions which the metropolis introduces in the satellite's domestic economic structure.
>
> ...development and underdevelopment are the same in that they are the product of a single but dialectically contradictory, economic structure and process of capitalism [Frank 1967:9].

Frank's metropolis/satellite model and Wallerstein's modified version - core/periphery/semi-periphery - contrast dramatically with the work of social scientists belonging

to the modernization school, who tended to view various societies in isolation, as 'cultural entities' unto themselves.

It is necessary to distinguish between the two concepts, dependency and dependency theory. Dependency is a politico-economic system within which a more powerful nation or society dominates over a subordinate society , with the latter relying on the former for various essential elements of their political and/or economic functioning. In other words, dependency describes a set of conditions which intertwines two economies in an unequal relationship.

Dependency theory, however, is an attempt to establish an analytical framework for the study of the conditions of dependency. The theory was first described by Andre Gunder Frank in 1967, based upon his research in Latin America. Since Frank's creation of the dependency model of capitalism in 1967 much work has been done to expand, modify and criticize his theory. A careful review of the literature serves as a broader model than perhaps Frank intended; by using a variety of related models and including a discussion of their shortcomings, a clearer view of the complexity of global capitalism emerges, which is free of the limitations of a specific model.

The common theoretical thread running through the various versions of dependency theory is that underdevelopment must be seen in the context of the world economic system and the historical influences which have

caused it to emerge. Rather than positing stages of development, dependency theory promotes a perspective that reveals a wider net of interconnected factors and conditions, which explain the polarity both internationally and locally of dependent and independent structural units. In other words, dependency is revealed as a consequence and cause of the unequal distribution of politico-economic power in the world. Thus development can be seen as

> a global, structural process of change and underdeveloped countries are those countries which lack an autonomous capacity for change and growth and are dependent for these on the centre [O'Brien 1975:12].

Frank's dependency theory was an attempt to explain some of the changes which were occurring in Latin America as a result of world capitalism.

2.6 Deficiencies of Dependency Theory. A review of the shortcomings of dependency theory illustrates the issues into which theoretical exploration has advanced. Although current theories seldom adequately explain current systems, their use serves to illuminate aspects of the process of dependency. Tony Barnett, in his study of the reproduction of underdevelopment, notes that Frank's model is "too static and schematic" (1975:183); he proposes the addition of two variations on Frank's model of colonialism. He first reviews Franks's model, which he summarizes as that of a "settler colonization" which dominates the political and economic scene; the "initial exercise of naked force is

then followed by the construction of a new social and economic structure, which entirely serves as a satellite of the colonizing society" (1975:184). Examples of this type of society are Australia and New Zealand, where the indigenous population was forced into the background, and sometimes exterminated. Barnett's derivative models of colonization are a) "the South African type,"wherein a settler population takes control and the original people remain in existence, albeit totally suppressed; and b) the administered society, which is run by a series of temporary foreign colonial administrators. These people are later replaced by indigenous administrators upon independence, but they, too, follow the pre-independence pattern of economic dependency (1975:184). In both cases cultural dependency is a frequent corollary as traditonal values are replaced by colonial models, at least among the new elite. The latter case is currently most prevalent in Africa.

In applying Frank's model to other types of colonialism in the Third World Barnett (1975) found that the model did not assess the continuing relationship between the developing economy and the world capitalist system, once the pattern of metropolis/satellite had been established. Barnett argues that

> The process of articulation whereby societies became consociates as well as contemporaries took place through the medium of human actors operating within the context of specific sets of social structures, constraints and opportunities [1975:184].

Similarly, he argues that the Frank model does not adequately explain the mechanism whereby "the social structure of underdevelopment" is reproduced (1975:185). Barnett goes on to study the social relations of production in a colonially initiated cotton plantation in the Sudan, and reveals a self-perpetuating socio-economic structure which ensures continuing dependency of labourers. The point is that the profits of such a post-colonial system are a consequence of the international social relations of production.

O'Brien (1975) outlines a number of problems inherent in dependency theory. Dependency theory, if applied to political situations, must lead to a program of structural change, an involvement of the marginal groups, and participation in a strategy to re-establish a higher level of national self-determination (1975:20). There are social barriers in place to prevent such structural change; the elite are anxious to preserve the status quo, and so such political policies are sometimes given lip-service, but seldom implemented to the extent that structural change would actually take place.

A second point that O'Brien makes is that although dependency theory indicates a direction for analysis, in attempting to include a wide variety of factors theorists run the risk of being too general or non-specific. He warns that "the eclecticism of a theory which can straddle petty bourgeois nationalism and socialist revolution should cause concern" (1975:20).

O'Brien also points out the danger of teleology within dependency theory:

> dependent countries are those which lack the capacity for autonomous growth and they lack this because their structures are dependent ones [1975:24].

Dependency theory, according to O'Brien, does not allow for "autonomous industrialisation" (1975:23). The possibility of this variation in development and its economic consequences are not anticipated. Rather, according to O'Brien, Frank posits "dependent development" (1975:23), or a future of limited development in the Third World controlled by the industrialised nations.

Further, O'Brien argues that dependency theory doesn't clarify the concept of dependence. The concept seems to imply poverty, at least in Latin America; but Canada is also a dependent nation - with a high per capita income - a rich dependent country, which does not fit into Frank's model.

A final point is that dependency theory is not easily applied to a local level. In assessing the local adaptive mode of production, Carolyn Elliott points out that dependency theory "...has not re-examined the relationship between income and power within and outside the home" [Elliott 1977:7]. It is on the level of the family that dependency has its most serious impact, both economically and in altering the central familial role in production. The family remains an essential unit in the adaptive

process, even if it does not always remain the basic unit of production.

2.7 Marxism and Dependency Theory. Marxism and dependency theory are frameworks which can be used to study actual situations; the framework serves to discipline the scholar's approach to a specific social situation, providing the methodology, the emphasis, the questions to be asked and answered. These frameworks are useful only insofar as they deepen understanding of reality. When the theory itself is given priority, and the social situation forced to fit into the hypothesis, the theory is being misused. Both Marxism and dependency theory have been misused by both scholars and politicians. Just as Marxism was used by Stalin to justify his police state, dependency theory has been used to justify elitist economic policies in Latin America. Although applied theories may well lead on to politico-economic programs, as in some parts of Latin America, the theoretical and politico-economic programs often overshadow the social reality. Both theories allow for change within the historical context of a society; unsatisfactory applications are usually simplistic, overlooking the complexity of reality in order to create a tidy program. Both theories address the structural problems of colonialism and neocolonialism, but neither theory can provide the foundation for a contemporary paradigm for development. Although many elements of both

theories continue to illuminate development scholarship, neither theory can serve any longer as a paradigm, providing an "entire constellation of beliefs, values, techniques, and so on shared by the members of a given [scholarly] community" (Kuhn 1970:175).

CHAPTER III

COLONIALISM, NEOCOLONIALISM AND REVOLUTION

3.1 Post-colonial Economies. Colonialism and neocolonialism and the related constellation of cultural and economic consequences are essential expressions of capitalism. Revolution is a potential variable, or a choice of strategy available as a reaction, and as an adaptation, to capitalism. A short-term revolution which replaces one neocolonial elite with another, military or civilian, is not a sustained adaptation. According to Parsons,

> Adaptation is the external, instrumental function of systems. Adaptation is external in the sense that it involves relating the system to an environment and instrumental in the sense that it involves, not the actual pursuit of particular environmental goals, but the development of generalized means for pursuing a variety of future goals and for meeting a variety of environmental conditions as they change over time. The key word in this definition is 'generalized.' Systems increase their adaptive capacities by developing generalized mobile facilities that are uncommitted to any particular use [Parsons 1982:25].

On the basis of this definition the Cuban revolution, which has become a process in itself, constitutes an adaptation, whereas the succession of military coups in many Latin American and West African nations does not, in that the governments remain rigid and unable to consolidate social

action to identify long-range goals.

Wolpe (1975) points out that not all post-colonial states were subsumed directly into a capitalist economy. Many far-eastern and African nations continue to be dominated by a capitalist elite which is dependent in turn upon a pre-capitalist indigenous economy for labour power and/or commodity production (1975:243). Such economies incorporate more than one mode of production. Colonialism always imposes change externally, but the adaptations are made locally and the degrees and manifestations vary. In some cases, as in Latin America, the switch to dependency/periphery status was sudden and comprehensive. In many parts of Africa the colonial overlay remained superficial well into the twentieth century. For example, in West Africa the British practice of indirect rule left the tribal political structure in place. Although chiefs were often appointed by the colonial government, they were usually popular with the tribes. Provision was made for the continued jurisdiction of tribal law, with only occasional supervision from the capital cities. In Sierra Leone and other British colonies the kinship system remained intact, and the tribe the unit of production, until altered land ownership patterns and the cash economy finally diffused to the more distant villages and eroded the traditional labour system in the mid-twentieth century.

Several modes of production can coexist and be intertwined within one state. In some West African nations the industrialized capitalist economy has become a layer on

top of the indigenous agrarian economy. The indigenous economy continues to exist in the rural areas with only a few changes at the village level; the same products as always are exchanged, but money intervenes as a step in the barter exchange. The local adaptation has elements of both the traditional and capitalist modes of production. The capitalist government, however, directs the national economy, especially as it interfaces with other nations and the MNCs.

In other places capitalism eroded the indigenous economy and altered the relations of production profoundly. According to Boserup,

> Although both man and women may become victims of development, it is more difficult for women to adapt to new conditions, because (1) family obligations make them less mobile than men, (2) their occupational choice is more narrowly limited by custom, (3) they usually have less education and training, and (4) even without these handicaps they often face sex discrimination in recruitment. Moreover, in Third World countries, a much larger percentage of the female than the male labor force is engaged in traditional occupations, which are precisely those gradually replaced by modern enterprises in economic development [1977:xii].

Boserup has argued that as the shift from agriculture and home-centered labour to paid employment occurs, the position of women within the society goes down. The major reason for this is that many of the tasks that women can do for extra income, such as harvesting, have been taken over by machines. The effects of the development process tend to disrupt cultural patterns through urbanization and major changes in village-level agricultural technology.

Urbanization disrupts the pattern of the extended family, causing both men and women to lose the security, support and predictability of the family.

Carolyn Elliott (1977:5) observes that the practice of measuring national productivity exclusively in terms of production for the market (GNP) has led to an over-emphasis on the market sector of the economies of Third World nations, ignoring the "non-market work done in households, subsistence agriculture, and the informal labour market, all done by women more often than men" (1977:5). (The informal labour market includes "...domestic servants, street vendors, prostitutes, etc." [1977:7].)

3.2 The Post-colonial Legacy of Latin America. Because of the diversity of the indigenous populations which were dominated by colonialism, and because of the differences between the colonial powers themselves, the resultant colonies also developed distinctive characteristics. The Spanish colonies in Latin America were quickly incorporated into the sixteenth and seventeenth century capitalist world as the periphery to the metropolis of Spain. The colonies provided gold, silver and other commodities to the home market. The goods were plundered as the societies were destroyed, either by death, dispersal or captivity. The pattern of peripheral dependency was quickly and firmly established.

Because little has changed in rural Latin America until the mid-twentieth century, the 'backwardness' of Latin American nations was explained as (1) laziness, or more kindly, excused with reference to cultural blocks to industrialization or modernization such as religious scruples or anti-materialism; these excuses were often somewhat racist in tone; and (2) anti-imperialism. Even if these explanations were accepted as causes for underdevelopment, they do not suggest solutions (O'Brien 1975:8).

Before 1929 the development strategy for Latin America has been described as "desarrolla hacia afuera, or an outward-oriented development path" (O'Brien 1975:8). Development continued as before to depend upon exports, until the depression of the 1930s weakened this source of income. Little changed until 1948, when the United Nations Economic Commission for Latin America (ECLA) established a program to strengthen export patterns. This program reflected the interests of the new elite in Latin America, who were business-oriented, and also the industrialization programs which became the focus of the post-war UN. The first General Secretary of the ECLA was Raul Prebisch, who was known as an anti-imperialist and an non-Marxist, argued that underdevelopment resulted from the place of Latin American counties in the world market which was related to the acceptance of a liberal ideology, that of capitalism. He was the first to describe the model of underdevelopment

in terms of centre-periphery relations (O'Brien 1975:9). Prebisch's centre-periphery theory is non-Marxist in that it is an alternative to class theory. A weakness in the theory was that it disregarded the reality of class struggle in Latin America, and also the influence of the United States government.

The ECLA policy under Prebisch advocated high protective tariff barriers to limit imports, and supported import substitution programs, where local industries manufactured consumer goods which were previously imported. This was later judged to be ineffective as a development strategy because it led to expensive subsidization of local industries which produced goods which could be manufactured better and more cheaply elsewhere. The subsequent argument is that capital investment in processing of primary products to establish a larger export market would have been more effective.

O'Brien states that

> the theory of dependency is a response to the perceived failure of the previous dominant ideology of development in Latin America, that of 'import substitution' industrialization [1975:7].

Although the ECLA strategy was intended to weaken the power of the traditional oligarchies, in fact power and control of profit remained with the elite. There was a shift by the 1960s, but this was not from the elite to the masses, but from the elite to the multi-nationals. Foreign investment had increased, but local autonomy had been reduced.

The ECLA policies fall into a structuralist model insofar as the economic theories of development aid did not take into account various other social institutions which arose within the historical and national context, and which varied from one country to another.

Nash, in her study of multinational corporations, revealed a "rhetoric of dominance" (Nash 1979:426) displayed by MNC executives toward indigenous populations. Her review of the literature revealed explanations based on stereotypes of various nationalities which were used to explain difficulties with local workers. For example, cultural characteristics such as the extended family, religion which focusses on the next life rather than the present one, and the emphasis on independence and self-sufficiency, are all cited as characteristics which retard productivity in various Third World settings. Nash notes that although these characteristics are superficially recognized, they are not confronted within their social context. A major reason for this, she observes, is that "multinational corporations lack a basic constituency to which they are responsible at home and abroad" (Nash 1979:427). Because of the totality of the colonial overlay in Latin America, the newly independent nations were especially vulnerable to the replacement domination of the neocolonialism of the MNCs.

O'Brien identifies several theoretical traditions derived from dependency theory:

1. extension of ECLA structuralism (Sunkel, Furtado)
2. Marxist overlay (Marini, Dos Santos, A.G. Frank)
3. sociologists who combine the previous two perspectives (Quijano, Cardoso, Ianni, Fernandes).

The differences are most evident in the political programs which the proponents of the theories have propounded (O'Brien 1975:11). Although Prebisch was anti-Marxist and his theory was consequently weakened because of his naivete in ignoring class differences, this gap was subsequently filled by other theorists. Dependency theory in Latin America is properly aligned with a non-Marxist perspective of capitalism.

> The theory of dependency therefore represents a framework of reference within which various heterogenous phenomena are analysed to see how they link and interact with each other to form a total system. The theory must therefore be judged with reference to its adequacy or inadequacy as a framework for the articulation of the dynamics of certain relationships. In brief, it is an attempt to establish a new paradigm [O'Brien 1975:12].

> ...the basic hypothesis of the theory of dependency is that development and underdevelopment are partial, interdependent, structures of one global system [O'Brien 1975:12].

There is a wide range of patterns resulting from the imposition of capitalism in Third World countries. It is sometimes argued that a violent revolution allows a clear slate, an opportunity to design a national economy without the burden of capitalism. Whether independence from colonialism is achieved by agreement or by revolution, however, the new leaders carry with them the debts and

patterns of the old regime, which force continuation of external dependency patterns. The real challenge is modifying the extent of dependency by increasing internal control of the domestic economy.

The effect of the world capitalist system upon developing nations occurs both directly and indirectly. The direct effects are consequent to the external control of the economy and the distribution of profit. The indirect effects occur as a result of the power of individual leaders within the developing nations. These leaders act as implementers of the capitalist system within the national arena. The perpetuation by proxy of economic and colonial patterns is often unconscious; many leaders explain their roles in terms of representation of local or national interests, and do not recognize the other motivations which their decision making subsumes.

> Most [new leaders], faced with circumstances over which they had no control - epecially the prices they received for their exports - and which left them only minimal room for manoeuvre, simply gave in to those pressures which were the most immediate, those from the capitalist world whose markets were vital to them. They positively welcomed the prospect of finding the capital needed for development by inviting the multinational corporations. The possibility of development, of any kind, over-rode any worries about what kind of development it would be [Worsley 1984:300].

Overcoming the legacy of colonialism is a long and complex process, not achieved overnight by independence or revolution.

Stavrianos, in his extensive study of current conditions in the Third World (1981:741) observes that the

significance of Fidel Castro is not so much his ability as a revolutionary leader in Latin America, but that he had managed to stay in power in a regime that is now considered permanent, and furthermore, that the institutional changes which he has initiated throughout Cuban society have been sustained. Castro's careful nurturing of commitment of the masses to a revolutionary ideology was a decisive factor (Chaliand 1977). The Cuban experience is unlikely to be repeated, since American anti-revolutionary systems are well in place, as they were not in 1959. World conditions have changed; the capitalist powers now try to prevent revolutions before they occur:

> ...and everywhere the CIA - with 16,500 personnel and a budget of $750 million in the mid-1970s - was energetically engaged in 'destablization', especially in countries where Soviet or Chinese influence was suspected. $550 million of this was earmarked for 'Clandestine Services', which included 'Health Alteration' programmes, such as murdering or helping to murder individuals like Lumumba and Trujillo, and attempting to murder Fidel Castro, and promoting the massacre of whole populations and the destabilization of whole countries. Nearly 40,000 Latin American students have been trained in counter-insurgency techniques at the School of the Americas in the capital Panama Canal Zone, among its alumni a galaxy of subsequent dictators, of whom General Pinochet of Chile is the best-known. One million policemen from 41 countries and over 500 high-level military trained at the Inter-American Defense College on the Potomac also help to keep order. First World intervention, however, is much more varied and usually much less dramatic: European Social-Democracy, especially West German, supports its counterparts in Latin America; the CIO-AFL and international 'free' trade union organizations act as a Labour arm of the State Department [Worsley 1984:304].

America is struggling to ensure that the capitalist mode of production is maintained in Latin America. The irony of

this policy within the ideology of an America dedicated to the freedom of all people has caused a serious split in the current political elite in the United States. For example, there is a strong upsurge of opposition to covert or military intervention in Nicaragua, since it is clearly against both international and domestic American law. Similarly in Peru, in order to keep the recent democratic government in power, the U.S. and the IMF had to reverse their decisions to refuse further financial assistance to the President unless he imposes even tighter restraints. This he was reluctant to do, because the economy is such that salaries had already reverted to the levels of twenty years ago (The Globe and Mail Jan. 30, 1985:6): further restraints could only lead to domestic violence. It appears that the next elected government in Peru will be socialist or Marxist. Either model is likely to increase the risk of nationalization of foreign investments, a serious risk to American economic interests. Increased internal control of the economy necessarily has repercussions in the global capitalist network. To prevent this, massive amounts of financial aid from the U.S. are necessary, and this to maintain a government that is no longer the choice of the people of Peru. The American use of the term 'aid' in this context refers clearly to the training and arming of a minority political group, in order to ensure the perpetuation of the peripheral role of the Peruvian economy to the American metropolis.

3.3 Revolution. Despite the dominance of western modernization theory and western-initiated and contrclled aid programs, some Third World countries have been quietly developing solutions which arise from their own specific needs and circumstances. Several widely effective programs have emerged, such as the Cuban literacy campaign and the Chinese barefoot doctor scheme. Both of these programs arose from a revolutionary base; the evidence indicates that without this base such programs would have been ineffective. In his broad-spectrum study of revolution in the Third World (1977), Chaliand observes that the essential components for revolution are the transformation of social structure, and leadership of a political vanguard party with an ideology which attracts sustained mass commitment.

a) Cuba. The Cuban revolution, at the end of 1959, was clearly a nationalist revolution designed to overthrow a corrupt and coercive dictatorial regimne. Because Fidel Castro presently considers himself a Marxist, the Cuban revolution has often been explained in terms of communist infiltration into Latin America. Castro has since explained that they were not following any dogma at all, but were merely directing their plans towards the overthrow of the corrupt Batista regime. Worsley has remarked that,

> In those countries where mass revolutionary parties did emerge...[they] came to power not only because of the leadership they had given on social issues, but because they had played a leading role in the struggle against foreign invaders. Inevitably, they soon developed their own national forms of communism [Worsley 1984:297].

Castro's espousal of Marxism came after the revolution, and after the expulsion of the U.S.-dominated Batista regime.

During the six years that Castro was establishing his base in the Sierra Maestra with his initial band of twelve men, his policies were clearly pragmatic and at variance with the traditional communist doctrine. For example, rather than intervening in the local balance of production by expecting the peasants to supply food and other goods for the guerrillas, they paid their own way. Further, they established education programs in the mountain regions for the campesinos, and initiated changes in land use practices. In other words, structural change had begun long before 1959, and in a way that strengthened respect for the revolutionaries and rapidly increased their popular support and numbers.

Increasing poverty, even if it is done in the name of revolution can be an intolerable burden which results in antagonizing those who would otherwise be staunch supporters. Castro found that this principle holds true, even after the revolution. His campaign to motivate the masses to bring in a record sugar harvest failed because of the lack of financial incentive (Stavrianos 1981:744). Similarly the sudden immigration of Cubans to the United States in 1980 is thought to have resulted from frustration at the lack of financial remuneration for work, as well as the lack of commodities available in the Cuban market. Those who left were urban middle class people who were not

sufficiently motivated to remain commited to the revolutionary ideas. In both these cases, Castro admitted the error in his policies, and compromised by retarding his program for reducing wage disparity. His stated goal has always been to maintain a continuous state of revolution, a sense of mass participation in institutional change.

The Cuban revolution fits the accepted definition of a "pure revolution," which according to Eisenstadt consists of

> ...violent change of the existing political regime..., displacement of the incumbent political elite...by another, institutional changes which lead to social change in all spheres..., [a] radical break with the past, and generation of a "new man" [through moral and educational changes] [Eisenstadt 1978:2-3].

Eisenstadt observes that many revolutionary groups have had these same goals in mind when attempting to stage a revolution and have failed. His study of the social conditions surrounding revolutions which combine to ensure their success identifies the special circumstances surrounding the Cuban revolution.

The external forces affecting Cuba in the mid to late 1960s were the Cold War, the trade policies of the United States toward Latin America such as the Alliance for Progress, which were dominating and restrictive, and the attractiveness of Russian assistance, influence and protection as a balance to the stagnating effects of American policies. This stagnation was evidenced by the situation within pre-revolutionary Cuba:

> There was no independent middle class or national bourgeoisie. American corporate interests prevailed to such a degree that no protective tariffs shielded Cuban industries until 1927. Labor unions were controlled by the government and were responsive to politicians rather than to their members. The intelligentsia was a bitter and disaffected minority, with little opportunity to influence state policy. The Catholic Church was virtually nonexistent in rural areas...[and] lacked the power to mobilize public support.... Finally, the main political parties were discredited organizations, interested primarily in the spoils of office. Fulgencio Batista's regime particularly lacked legitimacy, being born of a military coup and based on fraudulent elections, constitutional abuses and naked repression [Stavrianos 1981:742-3].

The above conditions combined with dissatisfaction with the corruption and American domination of the Batista regime to create the necessary pre-revolutionary climate of unrest.

Eisenstadt's definition stresses violence as the method by which the old elite is usually removed from power. The Cuban revolution was much less violent than it might have been had not many Batista supporters emigrated quickly to the United States. Thus the old elite vanished for the most part, but so also did much of the professional/intellectual class. For example, 3000 of the 6000 trained medical doctors fled. This vacuum in the professional middle class and intellegentsia was quickly filled by retraining programs under Castro. Cuban doctors, technicians and other professionals are now in demand throughout the developing world as consultants in development programs in health, education and agriculture.

A central component of Eisenstadt's definition of revolution is radical institutional change which "lead[s] to social change in all spheres"(1978:2). The technique employed by Castro did indeed extend to the masses and involve them in creating the new society. The device of the Great Literacy Campaign in 1961 was much more than its name implies (Kozol 1978). The campaign was carried out by thousands of urban young people between the ages of twelve and eighteen who moved out to live with rural families for eight months to a year to teach and to share in farm labour. The primer which was used universally for the campaign was a vehicle not only for learning to read and to write, but for learning the rhetoric of revolution. Rather than the traditional mechanistic method of teaching reading and writing endorsed by UNESCO and other organizations involved in such programs, the Cuban method was oriented to involving the student in the content of the primer. The lessons dealt with pertinent issues, such as the need for agrarian reform, the repression of the Batista regime, the character of the American trade policies and the discrimination against women. The eight month program whereby an adult student became functionally literate also made each student aware of the goals of the revolution, and at the same time created a network of ex-students already committed to the re-building of the Cuban economy. In this way the ground work was effectively laid for the extensive institutional changes which followed.

A major goal of the Great Literacy Campaign was the removal of the traditional barriers between urban and rural people. These differences are deep and long-standing, and are based upon the distinct social, work and economic patterns experienced by the two groups. The economic interdependency which indeed existed between the two sectors had driven a wedge between them which interfered with concerted development. Castro, in an attempt to eradicate this rural/urban barrier, appointed predominately urban teachers to work with and live with the rural students. In overcoming the barriers between the two sectors of society, a new understanding emerged, and the bonds were often life-long, and personal, as well as ideological. The Great Literacy Campaign formed the ideological superstructure for the post-revolutionary relations of production.

b) China. The Chinese revolution gave impetus to another far-reaching program which, like the young Cuban teachers, symbolized institutional change at the same time as it is effecting it. The Chinese barefoot doctor program involves many thousands of people recruited from the villages who were supplied with a pragmatic body of knowledge, and in turn provided universal inexpensive medical care in the rural areas. Barefoot doctors are said to have originated in China in the 1930s, the first having been trained by the Canadian doctor, Norman Bethune. (New and New 1977:505). There are over a million now, as a

direct result of Mao's policy of 1965 to make medical careaccessible to every citizen. Training of barefoot doctors ranges from a few months to two years, depending upon the background of the trainee and the area in which he or she will be practicing. Barefoot doctors are almost always returned to their own locale to work; thus trust and continuity are ensured through shared values and experience. Trainees were in many cases the traditional healers of the area, so that their role in the local superstructure changes little, but their skills are enhanced. Barefoot doctors are integrated into the local economy, working on farms along with the villagers. Thus the role of the barefoot doctor is an extension of the pre-existing role in the village mode of production, and not a transformation. New and New argue that the barefoot doctor phenomenon is in large part a reaction to the Western colonial medical mode of the pre-revolutionary era, with most doctors concentrated in urban areas, and few available to rural communities. They point out that the success of the Chinese barefoot doctor program is directly related to the structural change effected by the Cultural Revolution of 1968 (1977:510).

Although Kenya attempted to install a similar program, it is much less successful because of the lack of accompanying structural change. Although something equivalent to the barefoot doctors exists strong opposition from Western style doctors and the government of Kenya severely limits the effectiveness of the program.

A similar program has been operating successfully since 1972 in Bangladesh at Savar, under Zafrullah Chowdhury. His system is more centralized, but the principle of cheap paramedical training, extensions of health care to all levels of society and provision of employment, although similar to the Chinese model, are adapted to the Bangladesh society.

The Chinese and Bangladesh programs have several common components which bear examination: they are consistent with the local social structure; they do not introduce a new social class or layer; they all immediately create employment at the level of the trainess; and they fill the need for accessible health care and education. Both are examples of adaptation of an external element by a social system in a positive, rather than a disruptive way. Finally, in both cases the transformation was controlled internally.

To summarize from the above discussion, the key prerequisites for programs which are aimed at achieving large-scale social change are: (1) that the society be in a post-colonial phase; (2) that the national leaders (revolutionary or other) be committed to deep structural change; (3) that there be evidence of this intent such that the masses are also committed to the ideology which promises structural change have <u>hope</u> ; (4) that the masses are involved in and benefit from the program early on; and (5) that the commitment be sustained after the initial

burst by visible evidence of cultural change; and (6) that there be a revolution. Ideally, the sixth factor is disputed, that all of these be preceded by a violent revolution.

Eisenstadt insists on violent revolution as an essential prerequisite for structural change. In this context the current Brazilian situation is of interest since the military regime has peacefully relinquished the political leadership to a democratically elected government. That the new regime will be able to effect structural change is unlikely since the new group of leaders must function within the realm of the same institutional and social structures as before. The wealthy are unlikely willingly to succumb to major changes in land ownership patterns and corporate controls.

CHAPTER IV

ADAPTATIONS: INCREASING CONTROL OF THIRD WORLD ECONOMIES

Development, being a complex process, is achieved slowly and by complex routes. There are few projects or plans which can be cited as unqualified successes from every point of view, and those that are evaluated as successful will not necessarily be so if implemented in another country. Nevertheless, there are several concepts and experiments worth noting, for the purpose of eliciting underlying principles which can be used in creating a new scientific paradigm. To this end, this chapter reviews some peaceful strategies for social change as exemplified by the countries of East Asia.

4.1 Local Capitalism. Local capitalism is one mode of production which has provided a path to improved economic levels for families within the framework of global capitalism. Local capitalism is simply the provision of incentives for local entrepreneurs. In rural areas the small businesses may be operated within the context of the traditional kin group, thus reinforcing existing social patterns. There is an inherent danger, of course, that the profit motive will force individualism to emerge and destroy the kin-based mode of production. One way of

avoiding this is to intertwine the growth of local capitalism with other institutions within the society which also reinforce existing structures.

A shift in ideology must accompany structural change. Mair (1984) reports a case in Nigeria where the impetus to improve local agricultural practices by incorporating the use of the plow, and by developing cash crops and small shops, was directly related to the adoption of a new ideology, a puritanical form of Christian religion. This echoes the thesis put forward by Max Weber(1930), relating to the rise of capitalism in the seventeenth century as a result of the rise in protestantism as an ideological motivation for structural change.

Local capitalism in Less Developed Countries (LDCs) is usually kin-dependent because of the nature of primary agrarian societies. Family ties provide a labour force at the same time as they create a series of obligations. Profits earned in such a milieu usually benefit a larger group than would be expected in a European or North American setting.

4.2 Cooperatives. The concept of a cooperative is a model which is often more easily adopted in the LDCs than the idea of entrepreneurship. There are many models of cooperatives: for example, a group of five village men who combine their resources to buy three goats, and by reinvesting their profit from the sale of milk, cheese and meat, cause the business to grow, and the resulting profit

to benefit both them and indirectly the village as a whole by increasing the pool of available capital. This is the usual notion of cooperative, whereby the cooperative fits into the subsistence economy. The mode of production is altered marginally by the shift from subsistence to profit orientation.

Harrison observes that residual capitalist ideas and habits can undermine the new start of the most dedicated revolutionaries. Citing the example of post-revolutionary Peru, he sadly points out that the workers in a newly established cooperative did not participate in meetings, and perpetuated the polarity between themselves and management which existed in pre-revolutionary times. Both groups saw the estate as a resource to be plundered. Neither group was capable of viewing the new cooperative estates as investments in their own futures:

> After years of struggling for 'land or death,' they were still pre-occupied with getting their rights, and unwilling to fulfill the obligations that went with them [Harrison 1980:58].

The principles of private accumulation of land and profit, once instilled, die hard, and only die with thorough training of the workers in the new concepts of cooperative ownership and labour. Cooperatives can be used as an effective method for instilling new values and loyalties related to local needs and goals.

A second form of cooperative is one imposed by the dominant society for the purpose of integrating a subordinate society into the capitalist mode of

production. This is the case in the native communities of northern Canada, where cooperatives have been used successfully as training vehicles for profit-oriented employment for people who can no longer rely entirely on the subsistence economy for various reasons.

The argument put forward by many development theorists that cooperatives will be readily accepted in developing societies because they are similar to egalitarian economies is faintly millenarian in that it ignores the thirty years of adaptation to the elements of capitalism. Cooperative models in developing countries vary widely; the control of investment capital and indeed of profit, may rest with bureaucrats or aid agencies rather than with the local group of workers. This circumstance is perpetuated by a number of factors: the desire of the bureaucrat/agent to retain power and influence; the lack of adequate educational programs for the members of the cooperative; ideological confusion about the 'communistic' nature of self-governing cooperatives. This last point is illustrated by the reluctance of democratic and socialist governments of both DCs and LDCs to permit economic power to be transfered to the labourers. An underlying fear of capitalist investors is loss of control of the means of production, usually in the form of capital investment. Diffusion of profit, albeit in small amounts, strengthens the village, and often increases the desire for control of the future at a local level, possibly leading to the

emergence of a stronger opponent in the periphery - the local villagers - in the struggle for control of capital.

4.3 East Asia. The remarkable success of East Asian nations to move from being poor agricultural countries before the Second World War, to becoming major industrial powers by the late 1970s is due to long term regional cooperation as well as other unique features. It has been suggested as a pattern for Third World nations. This section will examine some of the factors which led to the remarkable emergence of East Asia, (specifically, Japan, China, North and South Korea, Taiwan, Hong Kong and Singapore, many of which still fit the classical description of underdevelopment) and will attempt to distill some of the factors which might be useful to the Third World of the mid-eighties.

Hofheinz and Calder (1983), in their analysis of the current East Asian industrial and trade advantage, underline the cooperation and coordination which exists between government and industry, and among various branches of the industrial community. It is this 'system' of cooperation which permits the design, production and marketing of internationally competitive goods, with higher quality than their American or European rivals, and lower prices. This system has emerged as a result of many factors within a historical context. One of the central factors is a strong sense of nationalism, which arose in

part as a reaction to the threat of (or actual) armed intervention of the West. The East Asian complex is in no small way a reaction to the reality of external domination in the past, and its potential threat in the present. This sense of nationalism has permitted dedication to long-term goals, which, when promoted by strong, centralized governments achieved rapid growth and increased domestic independence. This does not necessarily imply that the East Asian countries share an identical history, nor that they developed in tandem; rather, that their emergence as a unit is recent, and stems from many factors, one of which is the determination to retain a national identity in political, social and economic terms, within a regional cooperative network.

One of the most important elements underlying East Asian regional cooperation is the existence of a common written language. Although throughout East Asia many mutually incomprehensible languages are spoken, the most commonly used form of writing dates from the earliest Shang dynasty five thousand years ago. This permits the existence of shared literature, and communication which transcends other cultural differences, and facilitates cooperative planning in a way that is less easily achieved in other Third World regions.

A second factor which reinforces unity in East Asia is Confucianism, a far-reaching and strongly held moral code (Stavrianos 1981:312). Unlike many other Western colonies

such as Latin America and many African nations, Christianity did not gain the ascendancy necessary to replace the indigenous value system. Confucianism, with its focus on the importance of education, strong moral ethics and the importance of the family, plays a significant role in explaining the long-term trust that exists between individuals, corporations and governments in East Asia, and which could not exist in the short-term, profit-motivated West. A complex network of such trust agreements is part of the ideology of East Asia, which facilitates long-term planning, and long-term trade agreements within the region.

This atmosphere of trust - and trustworthiness - extends to governments in East Asia. Governments tend to be strongly centralized, with the exception of China, due to its sheer size. Only Japan is governed by a democratic government. Essentially one-party states are the common form of government. Opposition parties do exist, and occasionally replace long-standing governments, but much less time, money and intellectual energy are spent on the business of electing and re-electing a political party to government.

This centralization of power permits longer planning periods than most countries in the West can afford. It also permits the use of risk capital for longer start-up periods. Japan, for example, has had a stable government for a long time, despite internal changes. The ground-work

for Japan's supremacy in the automobile industry was laid as far back as 1880, when the Prime Minister of the time identified iron as a focus for future development (Hofheinz and Calder 1982:16). Japan now has eight of the ten largest blast furnaces in the world. Not only can the Japanese monitor the quality of their own raw materials, but they produce steel at a price that is 25% less than that of Pittsburgh. It is because of such long-term integration that the East Asian countries were far less affected by the current world recessions, and the fluctuations of oil prices.

The strength of the centralized governments is such that they can encourage and balance industrial coordination between various industrial sectors. For example, South Korea survived the oil crisis of the seventies by undertaking all aspects of construction of the super-tanker port in Saudi Arabia. By insisting that Korean labour be used, as well as Korean construction materials, Korean earnings balanced the increased cost of oil. The flexibility permitted by centralized government, an ideology which reinforces interpersonal trust, and a regional trade association which can mobilize inter-industrial ventures, carried South Korea through the recession. Such factors exist to varying degrees throughout East Asia, allowing a flexibility in international trade which the West cannot equal.

East Asia has effected a transition from dependence upon primary products to dependence upon secondary, or manufactured, products. This transition has been achieved while retaining an adequate agricultural base for domestic consumption and for export. Rice, the staple food of East Asia for millenia, is grown by a labour-intensive process which is not amenable to mechanization. It is still best grown in small family plots of four to five acres; thus the displacement of labour by the machines of the industrial revolution and the chemicals of the Green Revolution have had little effect on the agricultural sector of East Asia. The nature of rice has served to preserve the family as the unit of agricultural production, and stemmed to some extent the rural unemployment and urban drift so blatant in Latin America, and evident throughout the Third World. The continuity of an agricultural base has permitted flexibility and risk-taking in the industrial sector.

Hofheinz and Calder (op. cit.) list several other factors which help to create the flexibility which characterizes the governments of East Asia. The bureaucratic superstructure is held in high esteem based on the historical power of such positions, which are filled by the intellectual elite (1983:44). The concept of bureaucracy originated in China thousands of years ago, and has always been a source of ascribed power. Society fell into two classes, rather than the three known in the West; there was no large middle class between the agricultural

villagers and the bureaucratic elite to challenge the government. The power of the bureaucracy was secure, and was passed on to the next generation through heredity and training. The middle class has emerged in the East Asian countries, sometimes as a result of industrialization, sometimes, as in the case of China, as a result of the entrenchment of the power of the communist cadres. Nevertheless many traditional values persist, notably that of preserving the social status of the family from one generation to the next through education and job placement.

It is well-known now that East Asian parents take a very active and early interest in the education and future careers of their children. As the population increases, and technology limits the growth of job availability, competition for future prestigeous jobs has increased. Interest in the future of children is not new, since with the status of the children rests the status of the family in the next generation, which in turn affects the prestige of the older members of the present generation. The pattern of early testing of Japanese children and streaming for prestigious secondary schools and universities is merely the continuation of the age-old practice of ensuring the continuity of the family position, and not, as it is seen in individualistic Western terms, as parents pushing their children to achieve in a competitive society. The perpetuation of the system of government and the pattern of society is assured, by general consent; the bureaucracy and

government are trusted, even revered, unlike the distance and distrust which separate Westerners from their governments, and governments from the freedom to make long-range, but potentially unpopular development plans involving the private sector. Western governments and those of many Third World nations are limited to short election terms; they may well envy the continuity of most East Asian governments.

Hofheinz and Calder observe that there is a long-term predictability inherent in the East Asian government-business relationship. Government is expected to play an important part in the domestic economy (1983:24). Although differences arise, the quality of compromise is strongly valued by both government and business; the result is an atmosphere of cooperation and long-term trust. The government is willing to support the long slow growth of a new industry, thus removing some of the regular financial crises faced by Western companies with less reliable financial support. This element of predictability is a manifestation of the structural difference between Eastern and Western government/business patterns; "the essence of a growth-promoting political environment is neither the presence nor the absence of state intervention. It is predictability - predictability of both leadership and commercial policy" (Hofheinz and Calder 1983:25).

The East Asian concept of trust extends to the private sector, and creates yet another difference between Western and East Asian systems. Private business has a powerful and well-organized voice, to which governments listen with respect and attention. Most countries have strong business associations, some of which work across many industries, and some of which are specific to certain industries (Hofheinz and Calder 1983:79). In addition there are large trading organizations, such as the Japanese General Trading Organization, which act on behalf of both government and the private sector to create multi-faceted trade patterns. Another major function of these organizations is to collect and disseminate information about international trade patterns to domestic corporate planners and government officials.

Within the context of the global capitalist system, the major differences between the East Asian complex and the West are predictability and flexibility based on trust of the populace and the close relationship between the public and private sectors; a current supply of accurate information upon which to base present and future plans; and secrecy, a characteristic of Confucian personality.

On its broadest scale, the East Asian economic system differs in many important ways from that of Western and Western-derivative nations. Western ideology argues strongly for diversity, as exemplified in the American pattern of separation of powers of the creators, enforcers

and judges of law. The belief in 'balancing' power precludes the possibility of unified action, or the flexibility characteristic of East Asia.

Similarly, the distrust of government that has evolved from the belief in the need for a balance of power - the belief that in the absence of such balancing forces power will be abused, also precludes the possibility of a Western government being permitted to act without exhaustive advance discussion and agreement. In Europe only France under Mitterand approached a degree of centralized power akin to that of East Asia, and in Latin America post-revolutionary Cuba approximates the East Asian model. Even after a revolution or major leadership change in post-colonial Third World countries, the Western values are often carried forward, thus preventing the creation of a climate of trust and cooperation similar to that which encouraged the growth of East Asian economies.

In the Third World each nation has its own set of circumstances which can militate against the spirit of unity, or the development of nationalism. Many post-colonial societies are artificial geographic entities, created by the colonial powers on the basis of locations of desirable minerals or agricultural land. There are many tribal boundaries which are not congruent with the national boundaries; in such cases, members of the same tribe are governed by two or three different national governments, with very different policies. National loyalty is not a

meaningful concept in such cases, especially if a nomadic economy faces frequent border-crossing. Alternatively, many different tribal (and linguistic) groups may be found within a single national unit. In such cases, the government is seldom representative of all tribes, but rather, of an elite, who are often members of the tribe first colonized and educated. These and other differences lead to suspicion between those governing and those being governed, on the basis of tribal (and related historical) differences.

In Latin America there are also some tribal differences, but the strongest divisive factor is that of class. Most Latin American countries have strong class structures, and powerful elites which hereditarily dominate the larger indigenous group. The elites tend to trace their descent from the Spanish conquerors, although there has been much miscegenation over the centuries. Rather than loyalty, there is a strong sense of distrust of government in most Latin American countries, leading to rebellions, strikes, and occasionally to revolution.

Returning to structural arguments, East Asia has gained control of the factors of production - capital, labour and natural resources. This is not a realistic goal for most of the Third World in the near future. In many cases land and natural resources are owned by external governments or multinational companies, and wages are similarly controlled. Many governments are dependent to a large

extent on external capital, which is not available at a reliable and predictable rate, and is subject to unilateral alteration by the donor country or agency. Castro has proven that the forces of production are not immutable, but can be redefined; that is, the current pattern of dependency on foreign control is not the only possible pattern for a country. To change, however, requires revolutionary structural change; change that will reshuffle the values of the society such that the locally available factors of production are recombined to create a domestic mode of production which functions within the international capitalist network, but yet is controlled domestically. Local labour, land, minerals, industry, and capital can be recombined for a long-term national purpose, but only if the supporting ideology and the unity of the populace exists.

Fanon (1963), Eisenstadt (1978) and others argue that revolution is an essential prerequisite for the transformation of an exploitive capitalist society to one with social, political and economic equity. Chaliand and others suggest that it is possible to effect major change gradually. The second alternative has rarely proven successful, since elected officials must conform to pre-existing values of the electorate, and the system tends to perpetuate itself. Elites often make decisions which perpetuate inequity and stiffle real national growth; they do not legislate themselves out of existence, and seldom

voluntarily redistribute their material possessions (as was often done in 'primitive' societies as disparate as the West Coast of North America and the highlands of Pacific New Guinea, a surprising paradox). A revolution, however, is no guarantee of effective structural change; the replacement government may merely be another elite, with a desire for power, and no ideological reformation.

With or without a revolution, the central lesson to be learned from the East Asian example is that the state should strive to foster a climate of sustained domestic economic growth, based on local resources, be they agricultural, industrial, human or capital.

The private sector should be encouraged to cooperate internally to protect regional markets. Where possible, government should make longer-term financial commitments to developing small businesses and industries, especially where they are based upon local resources, and have the potential to create long-term employment and feed into local profits. Business development should be coordinated such that raw materials and secondary products are obtained locally, or regionally, within a carefully negotiated trading association. The first choice for purchasing such goods should not necessarily be based on price alone, but on the need to promote local potential, so that ultimately price will indeed be competitive.

If Third World nations are to grow in independence and productivity, they must begin with a local focus, a long range plan, a stable government and reliable financial resources; as these components are developed over time, the trust and cooperative domestic climate may evolve, and extend to envelop a region, cvercoming tribal and class differences, in the face of sustained improvement in the quality of life.

CHAPTER V

CONCLUSION: CREATING A PARADIGM

This chapter examines the role that anthropology can play in the construction of a new development paradigm and proposes some of its potential elements. A paradigm is a theoretical model which not only provides solutions to problems, but supplies "rules that limit both the nature of acceptable solutons and the steps by which they are to be obtained" (Kuhn 1970:38). Suggestions are made based on the preceding chapters regarding practical elements and strategies which may be expressions of an emerging paradigm.

The early sociologists and anthropologists worked from academic bases in Europe, and later in America, visiting the traditional societies of the European colonial empires. For many years the only universities in which anthropology was taught were located in countries which had been or were imperial powers. Universities in developing countries, especially in ex-British colonies, originated under the auspices of colonial rule. Even though many such universities now employ indigenous rather than ex-patriate staff, these people are still often trained in European or North American universities.

The link with the universities, and thus with the ideologies, of industrialized countries remains strong. As

such, universities in developing nations necessarily perpetuate Western theoretical models. Consequently anthropology remains a primarily Western theoretical field. The traditional theories, such as structuralism, functionalism, cultural relativism and even Marxism are all the products of northern European intellects. As a result models for analysis of societies in developing countries have suffered from an unavoidable bias. A theoretical transition is, however, occurring. Frank's work in Latin America signalled a new approach, that of beginning with the developing situation and building a theory upon that basis - an 'emic' approach; this contrasts with the traditional approach of beginning with an externally devised model, and then using it to study the foreign or developing situation. This new trend in analytical thought will become more pronounced as the universities of the Third World develop their own identities and theoreticians, familiar with the history and current reality of their country.

The role of educational institutions is traditionally that of reinforcing the social structure of the society. There is usually a lag in a post-colonial situation such that the colonial educational system, geared to disseminating and reinforcing the metropolitan society's values, is replaced by an indigenous educational system. As this transition occurs, presently accepted theories of development will be modified, and new ones developed. A

clear example of this process is the many studies derived from Frank's work, expanding and altering his theoretical framework to fit new situations.

This thesis presents a review of development theories of the past, and an analysis of those presently employed by anthropologists and other professionals in the field of development. These theories are examined in the light of world capitalism. This discussion leads to a pragmatic model for an anthropology of development.

In both the Third World and North America cooperation is being replaced by competition, and mutual help by exploitation (as a result of internal colonialism) (Harrison 1980:16). Competition, not cooperation, has become the dominant pattern, yet many are prevented from competing effectively by those who control the capital and profits, the winners of the world competition for resources. And yet, in order to exercise self-determination it is essential for any nation to compete successfully in the international capitalist marketplace.

National development today must take place within the framework of global capitalism. The solutions to underdevelopment lie with the Third World nations, who must seize the substance to make their own decisions, and with the 'enlightened' nations who can act as advocates for structural change. Both of these channels can strengthen the United Nations network, which may then begin more fully

to represent the diverse nations of the world.

Wolf and Frideres (1981) both observe that history is written by those in power, and those without power are "The People without History" (Wolf 1982). Where the study of a single culture may have included a narrow historical context, rarely did such studies attempt to integrate the study of the specific society into a global historical context. Wolf redefines culture in this new theoretical context as " a series of processes that construct, reconstruct, and dismantle cultural materials, in response to identifiable elements" (1982:387). This updated concept of culture permits "a sense of the fluidity and permeability of cultural sets" (Wolf 1982:387). Wolf argues that the designations of core and periphery constrain analysis by avoiding an examination of what really happens in the periphery. He then expands his investigation to include the process by which specific groups are drawn into the web of industrial capitalism, advancing a model which differs from the base/superstructure framework of current Marxism. Instead, Wolf expands the concept of production to include "reproduction of social institutions and cultural values " (Worsley 1984:35). There is a danger here in being too inclusive, but Wolf's model permits a more practical analysis of the local manifestations of capitalism. As Worsley observes, "Capitalism works upon existing cultural

materials, and often introduces new ones, but the dialectical sythesis that results is always culturally specific" (1984:36). Wolf's argument complements Parson's concept of adaptation, which is an eternal process in that it integrates variables from outside into a specific social system. Cultural goals are inextricably interwoven with economic and political goals. Wolf, in arguing strongly for a redirected focus for development studies in the periphery, is contributing to the process of structuring a new paradigm.

This thesis has dealt with the interplay between the global capitalist system as it is manifested in the periphery, the post-colonial Third World, and the practice of international development aid as a vehicle for neo-colonialism. For the sake of clarity I will summarize both spheres, the national/international development policy arena, and the more specific field of aid policy. These conclusions are based on the assumption of mutual influence between the two fields.

5.1 Strategies for Self-sustaining Growth. In order for the world capitalist system to become self-sustaining in a way that is less subject to crises and short-term priorities, the Third World will have to become integrated as a more active partner, operating from a position of increased strength. The dependency equation will have to be more equally balanced. Within the historical context of

colonialism, the pattern of development of the current imbalance is quite clear, and has been briefly reviewed in this paper. What I intended to show was the wide diversity of possible modes of production within the capitalist framework, and finally the various adaptations made locally in several societies to accommodate the new power distribution resulting from political change consequent to the recent process of decolonization. This very diversity provides the base for future planning.

In contrast to the fairly general theories and related solutions to the problem of underdevelopment reflected in development programs of the past thirty years, all of which propose imitations of Western patterns of varying subtlety, this paper suggests an alternative approach. A careful study of specific societies reveals a list of strategies, which in turn, form the basis for derivative innovations, which can be used in other societies. Blanket theories applied to many countries indiscriminately and attempts at wholesale transfers of technology have not been generally successful. Instead adaptations must be built into development programs which remove the harmful effects of an overlay of external ethnocentrism, and accommodate the values of the recipient society in a way which increases individual and national power within the capitalist system as a whole.

Based on the necessarily limited examples described in this paper, the following list has been compiled, to

illustrate the derivation of a base set of alternatives for the planning and formation of national and international development policies. It is not my intention to imply that these theoretical and technical adaptations be transferred directly to any society. The industrial revolution cannot be recreated; but the technology can be adapted - and re-adapted to solve vastly different problems. More specifically, a list of possible adaptive strategies follows:

a) International Regional Strategies

Work to develop reliable joint regional development plans in which several countries integrate their development plans and investments to complement each other, without surrendering autonomy (East Asian trade and industrial cooperation, Caribbean Industrial Development Bank), in order to retain maximum financial benefit from industrial enterprise within the Third World.

Keep non-regional foreign trading partners at arm's length. Japan has managed to achieve and retain control of trade, despite the pressure of American and multinational manufacturers. This was managed by consciously attempting to build internal infrastructure on the basis of domestic priorities, even though this implied competition with the West; for example, Japanese steel, cars, Taiwanese digital clocks, Korean

clothing. Similarly, China has retained control of foreign investment through joint ventures and other tight controls which ensure that China benefits at least as much as the investing multinational company. There are special taxes for foreigners, MNCs are forced to pay higher wages, and expatriate managers are charged more for rent and taxed more heavily for some luxury items and consumer goods than are the Chinese.

b) Domestic Strategies

Retain or regain control of domestic trade. Nationalization is one alternative, although multinationals are responding quickly to this danger by restructuring their operations so that research and administration are in the First World countries, and only dependent component assembly or primary production takes place in the Third World. Stronger negotiating positions can slowly be adopted, increasing the shares held by the local country, insisting on indigenous leadership, and reinvestment of a higher percentage of profits locally. Such tactics can be part of a composite plan to reduce dependency on external priorities, and can also-

Reduce dependency on foreign manufacture and processing. Japan is again a good example, in that high-risk, long-term capital was made available to

develop new industry to replace imports. Import substitution as a blanket policy has failed in the past, as in Latin America, where it became the major focus for industrial development under Raul Prebisch and the ECLA. (One of the reasons for failure was the lack of stability of Latin American governments, and their consequent inability to make reliable international/regional plans.) National industrial development should now, where possible, be integrated into a domestic long-term plan, a regional complementary industrial development plan, and a regular strategic evaluation of the world market and multinational trends.

Government should work to become more streamlined and flexible. Cuba and Japan are the examples here; the Cuban government has indeed made mistakes in policy, by attempting to force some social changes too quickly. The mass exodus of Cuban middle class doctors and business people several years after the revolution forced Castro to tread more slowly in forcing wage equity between the residual classes. The program was soon modified by the government, in response to the social reality. In a somewhat different fashion, Japan exhibits a remarkable bureaucratic flexibility which permits rapid decisions on major trade ventures, and is a major factor in maintaining Japan's leadership position in the global trade network.

Avoid simplistic and seductive single-variable solutions. A review of the many programs wich were applied in a blanket fashion to one sector of a society (education, agricultural production, family planning) fail because they cannot accommodate the reality of a changing, many-faceted socio-cultural reality that any society is.

Agressively promote appropriate education in all sectors of society, education which is locally designed for local needs - at all levels of society. Many post-colonial societies were left with universities for the elite, and no trade schools or agricultural colleges relating to the needs of the new society. Education tends to be a conservative force, directed by the elite, and the older generation, and geared to perpetuation of the status quo. Many Third World schools and universities were initiated by colonial powers as vehicles for assimilation of subordinate cultures, thus creating present-day cultural dependency. Realistic educational programs can be designed for men and women which prepare them to fill useful and satisfying roles in the growth of their own society.

The concept of 'diffusion' is well-used within the field of anthropology. The word has been traditionally defined as the "processes by which new ideas or cultural traits spread from one person to another or from one group to another, often over long distances " (Fagan 1980:26). The process of diffusion now takes place at the speed of light, via satellite dishes and other sophisticated technology. By exercising choice, selective diffusion permits learning from the experience of other countries, while adapting only the elements of the concepts or technologies that are relevant to the local situation. Japan proved that Western technology could be integrated without Western ideology; thus controlled, selective diffusion can be the key to self-directed development in the Third World.

5.2 Strategies for Cultural Autonomy. The word 'aid', like the time-specific concept of 'development' discussed above, has become anachronistic. The idea of aid is derived from the Western politico-religious ideology of helping 'our less fortunate brothers.' At the same time as it serves to focus the minds of the electorate on the current poverty of the Third World as a separate and distant situation, it ignores the historic causes of this condition, which cannot be separated from Western imperialism (Hayter 1971). This ideology is consistent with the observation that an important role of ideology is to support the policies of the state. Aid, given by the

West, has been controlled and directed by the West, despite superficial references to the right of Third World nations to self-determination. The profit motive defines the priorities of capital investment of Western nations and multinational corporations, even if that investment is called aid. Investments are not made in Third World industries which will compete with or replace those of America or northern Europe. Investments are made which are directed toward increasing profits of the investing body and by retaining the present control of the production of the Third World.

Many Third World nations continue, as in colonial times, to serve as sources of the extensions of the mode of production of a foreign power. To achieve control of foreign investment means that the Third World must also achieve control of foreign aid. For some nations this is more difficult than others. India stopped accepting Western teachers early in the 1970s, recognizing the serious Westernizing effect imported teachers were having on the values of their students. Other countries have worked gradually towards weaning their economies from the tyranny of international handouts. This is indeed a paradoxical situation, since the developed nations were firmly implicated in the process of the emergence of the Third World and the creation of underdevelopment.

Redefining aid is an intellectual excercise, whereas determining the process for gaining control of aid in the

Third World is more productive, and can begin at the level of government priorities, which promote domestic cultural goals based on local resources, or a program of cultural import substitution. This implies aggressive policies such as:

Rejection of foreign teachers or school books, while promoting production and frequent revision of indigenous materials which reflect the values and priorities of the local society. Many secondary schools and most universities in the Third World are direct impositions of colonial education systems, including texts, courses, examinations and measures of success (Mazrui 1978).

Reinforcement of the local medical/paramedical system such that basic health care is readily available to all, rather than perpetuating the expensive, elitist Western model exclusively. (China, Bangladesh; Illich 1977)

Re-evaluate ex-patriate personnel in terms of their informal influence in creating unrealistic or inappropriate values in both social and business spheres. A common example of the potential danger in such roles is the example of materialism and the individual profit motive as superior to that of

cooperation and joint benefit. Ex-patriates are creatures of their own culture; many make useful contributions, although this can usually be achieved on a short-term basis.

Ensure that aid projects are in keeping with the current moral values and social priorities of the recipient society. These values often differ considerably from the policies and practices of the ruling elites of both the donor and recipient countries/agencies; and furthermore, recipient governments do not always feel free to refuse unacceptable elements of a project package (e.g., exported equipment or personnel). Aid projects are usually non-negotiable, all-or-nothing deals. It is commonly heard in government aid circles that 'there is nothing wrong with us making a profit while we help someone else.' This attitude is a thinly veiled acknowledgement of the profit incentive of aid projects.

Even disaster relief projects are advertised as humanitarian gestures, but often mask a heaven-sent opportunity to dump unwanted agricultural surpluses, and thus sustain a higher domestic price. Disaster relief workers have endless horror stories about shipments of useless goods, using badly needed air transport, and filling warehouses that are needed for emergency goods.

Examples are shipments of nylon stockings and olives which arrived in Guatemala a few days after the 1976 earthquake (Jackson 1982). Thus relief goods should be selectively monitored. Another more serious example of misdirected relief was the shipment of many tons of wheat to Guatemala, when the local crops had been unusually productive, and could underwrite most of the immediate need for food and export capital. The donated wheat, which was American surplus grain, created an artificial surplus which depressed the local price of wheat and reduced the income of the local farmers at a crucial time. This 'aid' interfered with the local mode of production, which had not been seriously affected by the earthquake; in this instance, aid was effectively damaging the economy of Guatemala.

Nevertheless, sincere humanitarians do exist at all levels of Western society, from the pensioner who sends five dollars to Ethiopian relief, to the farmer who organizes a relief wheat shipment from his community on his own initiative, to the rare politicians who continue to work and argue publicly for a more equitable international economic order, to the academics who teach their students to be critical of their own society within the international context. These individuals work against great odds: the economic policies of their own governments, the power of the multinational corporations, and the apathy of their fellow citizens. The

contradictions inherent in international aid programs initiated by the West cannot be unravelled simply. The New International Economic Order adopted by the Group of 77 of UNCTAD in 1976 could not be put into place overnight. Even if it were, rich countries will try to truncate it, and the MNCs will circumvent it.

5.3 Implications for Development Practitioners. Who, then, should administer development aid projects, and by what criteria? Not governments, which are necessarily trapped by the pressures of the capitalist world market; not non-government agencies, who do not have the skills to acknowledge the danger of their own cultural biases, nor to recognize and accommodate those of the recipient culture. The United Nations agencies are rampant with Western bias, both their internal administration and in their methodology in the field (Rogers 1980). The responsibility for creating, administering - or terminating - aid projects must rest with individuals - some of whom may be associated with any of the above organizations or government bodies, and originate from anywhere in the world. Some of these effective aid agents are anthropologists, other are not, but operate with the precepts of responsible anthropology nonetheless. These individuals have the skills to:

- constantly monitor and control their own cultural biases (sexual, religious, class, etc.), recognizing that every culture has a set of such biases, which will colour the leadership of each person, regardless of ethnic origin.

- recognize the influences of political and religious ideologies which underlie the donor/administrator agency's methodology and try to minimize the impact on the local society

- terminate projects which directly or indirectly undermine the current society, unless such drastic change has been carefully considered, fully involves those to be affected, and includes a practicable long-range plan in which the local people have participated - and accepted. (See Colson 1971)

- recognize that development is clearly a political process, and should be treated as such - each project should move the local society towards a more equitable standard of living; a project which does not achieve this should not be funded.

In other words, a project should be directed at improving the lot of a group of people (<u>both</u> male and female) who (i) agree that the improvement is necessary,

(ii)that this is the way it should be accomplished, and (iii) who are firmly commited to participate fully in the planning, administration and evaluation of the project for its entire duration, and long after. Such a project, with this sort of groundwork, will need the assurance of long-term financial support of an exact and predictable nature, insulated insofar as possible from political pressures and changes in leadership. There will be short-term, and even long-term failures, despite thorough preparation, but the damage will be much less. It can even be argued that to date more has been learned about the nature of the process of development from failed projects than from so-called successes.

It is essential that 'success' be judged only by the initial group for whom and by whom the project was initiated (see Kozol 1978). Such groups may be as divers as a village, a women's agricultural association, a construction cooperative, or a government department. Whether the project is large or small, given the context of development aid to date, there is always a danger of subversion by individual profit motives based on Western elitist values (now indigenized). Such barriers are not insurmountable, but can be overcome with time, patience and repeated attempts. The present-day patterns for project designs are well-entrenched; it will take a concerted effort on the part of many cultural project specialists in all facets of aid to ensure that a new pattern emerges,

encompassing the above priorities. This is not to say that all the projects of the past should be rejected. Mazrui points out that,

> ...changes that improve living standards, reduce infant mortality, curtail ignorance and disease, and enhance knowledge of human beings and their environments are ones imperialism helped to foster. These changes deserve to survive. But those aspects of modernization that reduce local autonomy, erode local self-confidence and undermine the capacity of the Third World to contribute to a genuinely shared world culture should be eliminated. In time, the concept of modernization should become distinct from the concept of Westernization [Mazrui 1978:341].

This thesis has argued that a new development paradigm will be firmly rooted in the social structure of the Third World, and contain a new combination of variables from both the developed and developing worlds. Finally, the new paradigm will permit a degree of theoretical flexibility which contrasts with the rigid and defensive stance of Western modernization theory. Anthropologists, as both thereticians and practitioners, can provide leadership in promoting the impending scientific revolution by reassessing the data of the past, and setting them into an objective framework which redirects the discipline while ensuring the preeminence of Third World cultural and ecnomic goals.

International aid has both negative and positive aspects. It has been shown in this paper that aid is an expression of capitalism as a global system. To the extent that it interferes with and increases the dependency of an indigenous culture, it it destructive. International aid,

as it is currently practiced between governments is almost indistinguishable from trade. Non-governmental agencies are somewhat insulated from this economic focus, but depending on the extent to which they operate on government grants, the percentage of their funding which comes directly from government, and the related directives for in-kind domestic expenditure of such funds, they too are agents of capitalism. The very counter-revolutionary nature of aid in the past three decades has led to a move to the left of many Third World countries. The reaction to the strong conservative and counter-revolutionary policies of the United States has been an important influence toward revolution.

Nevertheless, a positive aspect of aid is that the technology and infrastructure which has been transferred to the Third World has been wanted and needed. The difficulty lies in separating the desirable mechanical and brick and mortar components of aid from the ideological intervention with which it is often accompanied. The rapid increase in efficiency in the areas of commuication, transportation, medicine and public health and education represent important contributions to economic growth and potential cultural growth. Third World nations are now developing strategies for acceptance of aid without relinquishing further cultural autonomy.

Anthropologists have long recognized the rich variety of cultures which existed until the early part of the

twentieth century. The rapid climb of America to economic supremacy, and the consequent global capitalist network, which was extended politically, economically and culturally through both trade and aid policies, led to a temporary trend toward homogenization of all cultures, as they were enveloped into the capitalist mode of production. The brief stage of capitalist homogenization was characterized by the support of small elites, who had power over the agrarian masses. A major result of thirty years of aid programs has been the growth of a middle class in many of these countries, a middle class which is committed to development and growth within a nationalist context. This new middle class reflects a shift in the social relations of production. This class is providing the political support and pressure which is causing the elites to take a more nationalistic stand - or be replaced by the process of revolution.

The picture is changing however, as Third World nations develop a new strategy for control, or what Roy Neehall (1985) so succinctly calls "rules for taking", slowly forcing the donor nations to conform to "rules for giving" (Neehall 1985:). Rules for taking can be both national and regional. One example is that of the Caribbean, where a regional fund has been created, to which donor countries contribute. The distribution of the funds is controlled entirely by the member Third World countries. This pool prevents many of the obligations for tied aid, and

increases the real benefit to the recipient nations by reducing the economic leakage that Onyemelukwe describes (1974). This and other strategies for regaining a degree of control of capital resources is leading to a proliferation of cultural variations, which as strategic adaptations are more complementary to the indigenous culture than is the homogenization of externally dominated cultural and economic capitalism. As the Third World develops the political base to distinguish between aid and trade both ideologically and pragmatically, their strategies will emerge more clearly, and the tendency toward increasing economic and cultural dependency will be arrested.

BIBLIOGRAPHY

Aiyappan, A.
1965 Social Revolution in a Kerala Village. New York: Asia Publishing House.

Amsbury, Clifton
1979 Patron-client structure in modern world organization. In S. Lee Seaton and Henri J.M. Claessen (eds.), Political Anthropology: the state of the art. Pp. 79-107. New York: Mouton.

Anonymous
1978 The two systems in action. Comparative Studies in Society and History 20(2):236-258.

Appleby, Joyce
1978 Modernization theory and the formation of modern social theories in England and America. Comparative Studies in Sociology and History 20(2):259-285.

Aronoff, Myron J (ed.)
1980 Ideology and Interest: the dialectics of politics. Political Anthropology Yearbook I. New Brunswick (USA): Transaction Books.

Asad, Talal (ed.)
1973 Anthropology and the Colonial Encounter. London: Ithaca Press.

Asch, Michael I.
1979 The ecological-evolutionary model and the concept of mode of production: two approaches to material reproduction. In David H. Turner and Gavin A. Smith, Challenging Anthropology. Pp. 81-99. Toronto: McGraw-Hill Ryerson.

1984 Home and Native Land. Toronto: Methuen.

Bailey, F.G.
1969 Stratagems and Spoils: a social anthropology of politics. Toronto: Copp Clark.

Banton, Michael (ed.)
1966 The Social Anthropology of Complex Societies. New York: Praeger.

Barefoot Doctor's Manual: the American translation of the official Chinese Paramedical manual. Philadelphia: Running Press.

Bari Kolata, Gina
1981 !Kung Bushmen join the South African army. Science 211:562-564.

Barnett, Tony
1975 The Gezira scheme: production of cotton and the reproduction of underdevelopment. In Ivar Oxaal, Tony Barnett and David Booth, (eds.), Beyond the Sociology of Development: economy and society in Latin America and Africa. Pp. 183-207. London: Routledge and Kegan Paul.

Barbour, Ian G.
1974 Myths, Models and Paradigms: the nature of scientific and religious language. London: SCM Press.

Barclay, Harold
1984 People Without Government: an anthropology of anarchism. London: Kahn and Averill.

Barth, Frederick
1966 Social Organization. Royal Anthropological Institute Occasional Paper, No. 23.

1966 Models of Social Organization. England: Royal Anthropological Institute.

Beinefeld, M.A.
1972 Planning people. Development and Change 4(1):51-77.

Berdichewsky, Bernard (ed.)
1979 Anthropology and Social Change in Rural Areas. The Hague: Mouton.

van den Berghe, Pierre L.
1978 Education, class, and ethnicity in Southern Peru: revolutionary colonialism. In Philip G, Altback and Gail P. Kelly (eds.), Education and Colonialism. Pp. 270-298. New York: Longman.

Booth, David
1975 Andre Gunder Frank: an introduction and appreciation. In Ivar Oxaal, Tony Barnett and David Booth (eds.), Beyond the Sociology of Development: economy and society in Latin America and Africa. Pp. 50-85. London: Routledge and Kegan Paul.

Boserup, Ester
1975 Women's Role in Economic Development. New York: St. Martin's Press.

1977 Preface. In Wellesley Editorial Committee, Women and National Development: the complexities of change. Pp. xi-xiv. Chicago: University of Chicago Press.

Bradby, Barbara
1975 The destruction of natural economy. Economy and Society 4:125-161.

Brookfield, Harold
1975 Interdependent Development. Pittsburgh: University of Pittsburgh Press.

Cardoso, Fernando Henrique
1973 Associated dependent development: theoretical and practical implications. In Alfred Stepan (ed.), Authoritarian Brazil. Pp. 142-78. New Haven, Conn: Yale University Press.

Castro, Fidel
1983 The World Economic and Social Crisis: its impact on the underdeveloped countries, its somber prospects, and the need to struggle if we are to survive. Report to the Seventh Summit Conference of Non-aligned Countries. New York: Ediciones Vitral.

Chagnon, Napoleon
1983 Yanomamo: the fierce people. 3rd ed. New York: Holt, Rinehart & Winston.

Chaliand, Gerard
1977 Revolution in the Third World. New York: Viking Press.

Chodak, Szymon
1973 Societal Development: five approaches with conclusions from comparative analysis. New York: Oxford.

Christensen, Peter Moller and Jorgen Delman
1981 A theory of transnational society: Mao Zedong and the Shanghai School. Bulletin of Concerned Asian Scholars, China Special, Part I 13(2)2-15.

Claessen, Henri J.M.
1979 Introduction. In S. Lee Seaton and Henri J.M. Claessen, Political Anthropology: the state of the art. New York: Mouton.

Clausen, A.W.
1983 Let's not panic about Third World debts. Harvard Business Review 16(6):106-114.

Cochrane, Glynn (ed.)
1976 What We Can Do for Each Other: an interdisciplinary approach to development anthropology. Amsterdam: B.R. Gruner.

Colson, Elizabeth
1971 The Social Consequences of Resettlement. Manchester: University of Manchester Press.

Cooke, K. and A.C. Renfrew
1979 Transformations: mathematical approaches to culture change. San Diego: Academic Press.

Copans, Jean
1977 African Studies: a periodization. In Peter Gutkind and Peter Waterman (eds.), African Social Studies: a radical reader. New York: Monthly Review Press.

Crummy, Donald and C.C. Stewart (eds.)
1981 Modes of Production in Africa: the pre-colonial era. London: Sage.

Davis, Shelton
1976 The Yanomamo: ethnographic images and anthropological responsibilities. In Shelton H. Davis and Robert O. Matthews, The Geological Imperative: anthropology and development in the Amazon Basin of South America. Pp. 7-23. Cambridge, Mass: Anthropology Resource Center.

1977 Victims of the Miracle: development and the Indians of Brazil. London: Cambridge University Press.

De Vries, Peter
1978 Dependence and underdevelopment: tourism in the post-plantation society of Montserrat, West Indies. Ph. D. Thesis, Department of Anthropology, University of Alberta., Edmonton.

Dubos, Rene
1965 Man Adapting. New Haven: Yale University Press.

Eisenstadt, S.N.
1973 Tradition, Change, and Modernity. London: Wiley.

1978 Revolution and the Transformation of Societies: a comparative study of civilizations. New York: The Free Press.

Elliott, Carolyn M.
1977 Theories of development: an assessment. In Wellesley Editorial Committee, Women and National Development: the complexities of change. Pp. 1-8. Chicago: University of Chicago Press.

Erasmus, Charles
1968 An anthropologist looks at technical assistance. In Morton H. Fried, Readings in Anthropology, 2nd ed., Vol. II. Pp.565-582. New York: Thomas E. Crowell.

Erlich, Paul
1968 The Population Bomb. New York: Ballantine.

Fagan, Brian M.
1980 People of the Earth, 3rd ed. Boston: LIttle, Brown.

Feit, Harvey
1979 Political articulations of hunters and the state. Etudes Inuit Studies 3(2):37-52.

Feldman, Rayah
1975 Rural social differentiation and political goals in Tanzania. In Ivar Oxaal, Tony Barnett and David Booth (eds.), Beyond the Sociology of Development: economy and society in Latin America and Africa. Pp. 154-182. London: Routledge and Kegan Paul.

Fitch, Bob, and Mary Oppenheimer
1966 Ghana: end of an illusion. New York: Monthly Review Press.

Frank, Andre Gunder
1973 Capitalism and Underdevelopment in Latin America: Historical Studies of Chile and Brazil. New York: Monthly Review Press.

Freidlander, Judith
1975 Being Indian in Hueyapan: a study of forced identity in contemporary Mexico. New York: St. Martin's Press.

Fried, Morton H.
1967 The Evolution of Political Society: an essay in political anthropology. New York: Random House.

Furtado, Cerso
1973 The post-1964 Brazilian 'mode' of development. Studies in Comparative International Development 8(2):115-27.

Greene, Felix
1970 The Enemy: what every American should know about imperialism. New York: Vintage.

Gutkind, Peter and Peter Waterman (eds.)
1977 African Social Studies: a radical reader. New York: Monthly Review Press.

Gwyn, Sandra
1981 To have and have not. Saturday Night June, 1981, 11-17.

Harrison, Paul
1980 The Third World Tomorrow. Harmondsworth: Penguin.

Harrow, Stefan
1982 Multinational Corporations and Developing Countries: a selected bibliography. New York: Library, City University of New York, Baruch College.

Harvey, David
1982 The Limits to Capital. Chicago: University of Chicago Press.

Hayter, Teresa
1971 Aid as Imperialism. Harmondsworth: Penguin.

Hawkins, E.K.
1970 The Principles of Development Aid. Harmondsworth: Penguin.

Heilbroner, Robert L.
1973 Must America be counterrevolutionary? In Frank Tachau (ed.), The Developing nations: what path to modernization? Pp. 216-238. New York: Harper & Row.

Hofheinz, Roy, Jr. and Kent. E. Calder
1982 The East Asia Edge. New York: Basic Books.

Hoogvelt, Ankie
1980 Indigenization and technological dependency. Development and Change 11(2):257-72.

Horowitz, Irving L.
1973 Three Worlds of Development. In Frank Tachau (ed.), The Developing Nations: what path to modernization? Pp. 216-238. New York: Harper & Row.

1982 Beyond Empire & Revolution: militarization and consolidation in the Third World. New York: Oxford.

Hughes, Charles C. and John M. Hunter
1970 Diseases and development in Africa. Social Science and Medicine 3:443-493.

Huizer, Gerrit and Bruce Mannheim (eds.)
1979 The Politics of Anthropology: from colonialism and sexism toward a view from below. The Hague: Mouton.

Hunt, E.K.
1972 Property and Prophets: the evolution of economic institutions and ideologies, 2nd ed. New York: Harper & Row.

Hyden, Goran
1983 No Shortcuts to Progress: African Development Management in Perspective. London: Heinemann.

Illich, Ivan
1977 Limits of Medicine: medical nemesis, the appropriation of health. Harmondsworth: Penguin.

Iliffe, John
1983 The Emergence of African Capitalism. London: Macmillan.

International Labour Organization
1962 Focus on Automation: the management view, the labour view, the international questions. Paper presented to the American Foundation on Automation and Employment, Dec 13th.

Jackson, Tony and Deborah Eade
1982 Against the Grain: the dilemma of project food aid. Oxford: Oxfam.

Jacobs, Jane
1984 Cities and the wealth of nations: a new theory of economic life. Atlantic Monthly 253(3):41-66.

Kaniki, Martin
1980 Economical technology against technical efficiency in the oil palm industry of West Africa. Development and Change 11(2):273-84.

Kaufman, Robert R.
1974 The patron-client concept and macro-politics: prospects and problems. Comparative Studies in Society and History 16(3):284-308.

Kottack, Conrad Phillip
1983 Assault on Paradise: social change in a Brazilian vilage. New York: Random House.

Kozol, Jonathan
1978 Children of the Revolution: a Yankee teacher in the Cuban schools. New York: Delta.

Kuhn, Thomas
1962 The Structure of Scientific Revolutions. International Encyclopedia of Unified Science 2(2). Chicago: University of Chicago Press.

Kurtz, Donald V.
1979 Political anthropology: issues and trends on the frontier. In S. Lee Seaton and Henri J.M. Claessen (eds.), Political Anthropology: the state of the art. Pp. 31-62. The Hague: Mouton.

Lappe, Francis Moore and Joseph Collins (eds.)
1977 Food First: beyond the myth of scarcity. New York: Ballantine Books.

Lele, Uma
1981 Rural Africa: modernization, equity, and long-term development. Science 211:547-553.

Lewis, Carol
1973 Anthropology and colonialism. Current Anthropology 14(5):581-602.

Lewis, Henry T.
1973 Rural relationships in an urban market place: the peasant peddlars. In William G. Davis, Social Relations in a Phillipine Market: self-interest and subjectivity. Pp. 25-28. University of California Press.

Leys, Colin
1969 Politics and Change in Developing Countries: studies in the theory and practice of development. Cambridge: Cambridge University Press.

1975 Underdevelopment in Kenya: the political economy of neo-colonialism 1964-1971. London: Heinemann.

Long, Norman
1975 Structural dependency, modes of production and economic brokerage in rural Peru. In Ivar Oxaal, Tony Barnett and David Booth (eds.), Beyond the Sociology of Development: economy and society in Latin America and Africa. Pp. 253-282. London: Routledge and Kegan Paul.

Mair, Lucy
1984 Anthropology and Development. London: Macmillan.

Mamdani, Mahmood
1972 The Myth of Population Control: family, caste, and class in an Indian village. New York: Monthly Review Press.

Mattelart, Andre
1983 Transnationals and the Third World: the struggle for culture. Mass: Bergin and Garvey.

Mazrui, Ali A.
1975 The African university as a multinational corporation: problems of penetration and dependency. In Philip G. Altback and Gail P. Kelly (eds.), Education and Colonialism. Pp. 331-354. New York: Longman.

McAllister, Ian (ed.)
1982 Six International Development Projects: case experiences from Dalhousie University. Halifax: Centre for Development Projects.

McCurdy, David W.
1980 Savings on loans in a peasant society. In James P. Spradley and David W. McCurdy (eds.), Conformity and Conflict: readings in cultural anthroplogy, 4th ed. Pp. 244-254. Toronto: Little, Brown.

McQuarie, Donald (ed.)
1978 Marx: sociology/social change/capitalism. London: Quartet Books.

Meadows, Donella H. and Dennis L. Meadows et al
1972 The Limits to Growth: a report for the Club of Rome's project on the predicament of mankind. New York: Signet.

Memmi, Albert
1965 The Colonizer and the Colonized. Boston: Beacon Press.

Miliband, Ralph
1973 The state in Capitalist Society. London: Quartet Books.

Modelski, George
1978 The long cycle of global politics and the nation-state. Comparative Studies in Society and History 20(2):214-235.

Mooney, Patrick
1979 Seeds of the Earth. London: International Coalition for Development Action.

Morgan, Dan
1980 Merchants of Grain. Harmondsworth: Penguin.

Mountjoy, Alan B.
1975 Industrialization and Developing Countries, 4th ed. London: Hutchison.

Moskos, Charles, Jr.
1976 The military. Annual Review of Sociology 2:55-77.

Mouzelis, N.P.
1972 Modernization, development and the peasant. Development and Change 4(3):73-88.

Myrdal, Gunner
1957 Rich Lands and Poor: the road to world prosperity. World Perspectives, Vol. 16. New York: Harper and Row.

Nash, June
1979 Anthropology of the multinational corporation. In Gerrit Huizer and Bruce Mannheim (eds.), The Politics of Anthropology: from colonialism and sexism toward a view from below. Pp. 421-446. The Hague: Mouton.

1979 Ethnology in a revolutionary setting. In Gerrit Huizer and Bruce Mannheim (eds.), The Politics of Anthropology: from colonialism and sexism toward a view from below. Pp. 353-370. The Hague: Mouton.

_____ and Helen Icken Safa (eds.)
1980 Sex and Class in in Latin America: women's perspectives on politics, economics and the family in the Third World. New York: J.F. Bergin.

Neehall, Roy
1985 International aid or international interference. Address to the Third Annual Conference, Canada: The World and the Future. Edmonton, Alberta, March 12.

New, Peter Kong-ming and Mary Louise New
1977 The barefoot doctors of China: healers for all seasons. In David Landy, (ed.), Culture, Disease and Healing: studies in medical anthropology. Pp. 503-510. New York: Macmillan.

Nukhovich, E.
1980 International Monopolies and Developing Countries. Moscow: Progress Publishers.

O'Brien, Philip J.
1975 A critique of Latin American theories of dependency. In Ivar Oxaal, Tony Barnett and David Booth (eds.), Beyond the Sociology of Development: economy and society in Latin America and Africa. Pp. 7-27. London: Routledge and Kegan Paul.

O'Laughlin, Bridget
1975 Marxist approaches in anthropology. Annual Review of Anthropology 4:341-370.

Onyemelukwe, C.C.
1974 Economic Underdevelopment: An inside view. London: Longmans.

Oxaal, Ivar, Tony Barnett and David Booth
1975 Beyond the Sociology of Development: economy and society in Latin America and Africa. London: Routledge and Kegan Paul.

Parsons, Talcott
1951 The Social System. London: Routledge and Kegan Paul.

1982 On Institutions and Social Evolution: selected writings. Chicago: University of Chicago Press.

Payer, Cheryl
1982 The World Bank: a critical analysis. New York: Monthly Review Press.

Pearson, Lester B.
1970 Partners in Development. Report on the Commission on Inter-national Development. New York: Praeger.

Perinbam, Lewis
1981 North and South: towards a new interdependence of nations. Halifax: Centre for Development Projects.

Pescatello, Ann M.
1976 Power and Pawn: the female in Iberian families, societies, and cultures. Westport, Conn: Greenwood Press.

Reich, Robert
1983 The Next American Frontier. New York: Times Books.

Robertson, A.F.
1984 People and the State. Cambridge: Cambridge Univeristy Press.

Robinson, John
1983 Multinationals and Political Control. England: Gower.

Rogers, Barbara
1980 The Domestication of Women: discrimination in developing societies. London: Tavistock.

Rostow, W.W.
1960 The Stages of Economic Growth: a non-communist manifesto. Cambridge: Cambridge University Press.

Rugman, Alan M.
1981 Inside the Multinationals: the economics of international markets. London: Croom helm.

Safa, Helen
1977 Introduction: changing modes of production. In Wellesley Editorial Committee, Women and National Development: the complexities of change. Pp. 22-24. Chicago: University of Chicago Press.

Sahlins, Marshall and Elman R. Service (eds.)
1960 Evolution and Culture. Ann Arbour, Mich: University of Michigan Press.

Sampson, Anthony
1982 The Money Lenders: bankers in a dangerous world. London: Coronet.

Schumacher, E.F.
1974 Small is Beautiful: a study of economics as if people mattered. London: Abacus.

Seaton, S. Lee and Henri J.M. Claessen
1979 Political Anthropolgy: the state of the art. The Hague: Mouton.

Seers, Dudley, ed.
1981 Dependency Theory: a critical reassessment. London: Frances Pinter (Pub) Ltd.

Sennett, Richard
1974 The Fall of Public Man: on the social psychology of capitalism. New York: Vintage, Random House.

Service, Elman R.
1962 Primitive Social Organization: an evolutionary perspective. 2nd ed. New York: Random House.

Sigmund, Paul E.
1980 Multinationals in Latin America: the politics of nationalization. Madison, Wisconsin: University of Wisconsin Press.

Skully, Michael T.
1978 A Multinational Look at the Transnational Corporation. Sydney, Australia: Dryden Press.

Smith, Dennis
1978 Domination and containment: an approach to modernization. Comparative Studies in Society and History 20(2):177-213.

Solomon, Lewis D.
1978 Multinational Corporations and the Emerging World Order. Port Washington, New York: National University Publications.

Spiro, Herbert J.
1967 Patterns of African Development: five comparisons. Englewood Cliffs, N.J: Prentice-Hall.

Stavenhagen, Rodolfo
1975 Social Classes in Agrarian Societies. Garden City, N.Y: Anchor Books (Doubleday).

Stavrianos, L.S.
1981 Global Rift: the Third World comes of age. New York: Morrow.

Stein, William W.
1975 Modernization and Inequality in Vicos, Peru: an examination of the "ignorance of women". Council on International Studies, Special Study No. 73. New York: State University of N.Y. at Buffalo.

Sunkel, Osvaldo
1972 Big business and "dependencia": a Latin American View. Foreign Affairs 50(3):517-531.

Swartz, Marc, Victor W. Turner and Arthur Tuden (eds.)
1966 Political Anthropology. Chicago: Aldine.

1968 Local Level Politics: Social and cultural perspectives. Chicago: Aldine.

Tachau, Frank
1973 The Developing Nations: what path to modernization? New York: Harper and Row.

Tiffany, Walter W.
1979 New directions in political anthropology: the use of corporate models for the analysis of political organizations. In S. Lee Seaton and Henri Claessen, Political Anthropology: the state of the art. Pp. 64-75. New York: Mouton.

Tipps, Dean
1973 Modernization theory and the comparative study of societies: a critical perspective. Comparative Studies in Society and History 15(2):199-226.

Troyer, Warner
1977 No Safe Place. Toronto: Clarke, Irwin.

Turner, David H. and Gavin A. Smith (eds.)
1979 Challenging Anthropology. Toronto: McGraw-Hill Ryerson.

Turner, Louis
1973 Multinational Companies and the Third World. New York: Hill and Wang.

Turner, Terence
1979 Anthropology and the politics of indigenous people's struggles. Cambridge Anthropology 5(1):1-43.

Van Arkadie, Brian
1979 The scope of planning in developing countries: some notes. Development and Change 10(4):567-575.

Van Nieuwenhuijze, C.A.O. (ed.)
1972 Development: The Western View. The Hague: Mouton.

Veltmeyer, Henry C.
1980 A central issue in dependency theory. The Canadian Review of Sociology and Anthropology 17(1-4):198-213.

Vincent, Joan
1978 Political anthropology: manipulative strategies. Annual Review of Anthropology.

Wallerstein, Immanuel
1974 The rise and future demise of the world capitalist system: concepts for comparative analysis. Comparative Studies in Society and History 16(4):387-415.

1975 World Inequality: origins and perspectives on the world system. Montreal: Black Rose.

Warner, Scott
1984 The Emergence of Dialectical Theory: philosophy and political inquiry. Chicago: University of Chicago Press.

Weber, Max
1930 The Protestant Ethic and the Spirit of Capitalism, London: Unwin University Books.

1947 The theory of Social and Economic Organization. New York: Oxford.

Weir, David and Mark Shapiro
1981 Circle of Poison: pesticides and people in a hungry world. San Francisco: Institute for Food Development Policy.

Wellesley Editorial Committee
1977 Women and National Development: the complexities of change. Chicago: University of Chicago Press.

Weltmeyer, Henry C.
1980 A central issue in dependency theory. Canadian Review of Sociology and Anthropolgy 17:1-4.

Wertheim, W.F.
1974 Evolution and Revolution. Harmondsworth: Penguin.

Wolf, Eric R.
1967 Closed corporate peasant communities in Mesoamerica and central Java. IN Jack M. Potter, May N. Diaz and George M. Foster, eds., Peasant Society: a reader. Pp. 230-246. Boston: Little, Brown.

1982 Europe and the People without History. Berkeley: University of California Press.

Wolpe, Harold
1975 The theory of internal colonialism: the South African case. In Ivar Oxaal, Tony Barnett and David Booth (eds.), Beyond the Sociology of Development: economy and society in Latin America and Africa. Pp. 229-252. London; Routledge and Kegan Paul.

Worsley, Peter
1982 Marx and Marxism. London: Tavistock.

1984 The Three Worlds: culture and world development. Chicago: University of Chicago Press.

Yansane, Aguibou Y. (ed.)
1980 Decolonization and Dependency: problems of development of African societies. London: Greenwood Press.